FBIS DAILY REPORT CONTENTS

Latin America

Vol VI No 211 31 October 1986

ARGENTINA

Alfonsin Creates Military Advisory Committee B 1
'Maximum Alert' Declared B 1
Military Suspends Leaves B 2
Alfonsin, UN Secretary General Discuss Falklands B 2
Mugabe Contacts Alfonsin [AFP] B 3
Alfonsin Calls Counterparts B 3
Chile Issues Communique B 4
Foreign Ministers To Meet [AFP] B 4
BBC Claims Alfonsin 'Under Military Pressure' B 5
Juanarena Refutes Claim B 5
Minister Caputo Addresses Secret Senate Session B 6
Denies Troop Movements B 6
Grants News Conference B 7
Disavows 'Aggressive' Spirit [AFP] B 7
Questions UK Motives B 8
Troccoli Summons Parties to Falklands Briefing B 9
Fishing Sectors To Continue Falkland Operations B 9
Protest Soviet Agreements B 10
Ministry Assumes Responsibility B 11
General Sanchez Praises Major Military Maneuvers B 11
Government Fears Changes Within Communist Party B 13
Constantini Reports Closure of Uranium Plant [AFP] B 14
Defense Official Explains Military Domestic Role B 14
[BUENOS AIRES HERALD 28 Oct]

BOLIVIA

Interior Minister Criticizes Resignation Request [AFP] C 1
Congress DEA Ruling C 1
Antidrug Forces Reshuffled C 1
Foreign Minister on Rapprochement With Chile C 2
Bedregal Hails PRC Envoy Assignment 'Day of Joy' C 2

BRAZIL

Abrams Discusses Trade, Nicaragua at Itamaraty D 1
[O ESTADO DE SAO PAULO 28 Oct]
Itamaraty Issues Statement on Falklands Dispute D 1
U.S. Technicians Assist With Angra 1 Problem D 2
[O ESTADO DE SAO PAULO 28 Oct]
Planning Minister Views IMF Before Japan Trip D 2
Varig Suspends Belem-Paramaribo Service D 3
Daily Describes 'Obsolescence' of Armed Forces D 3
[FOLHA DE SAO PAULO 26 Oct]
Revised Cruzado Plan Shrinks Public Sector D 6

CHILE

Government Extends Area of Territorial Waters [AFP] E 1
Merino Criticizes UN South Atlantic Resolution [AFP] E 1

COLOMBIA

Venezuelan Ambassador on Border Cooperation F 1
Officials Arrest Man for U.S. Extradition F 1
Courts Reject U.S. Requests F 1

ECUADOR

Government Official Denies Contra Aid Support G 1
Alfaro Lives Announces Creation of New Command [AFP] G 2
Finance, Credit Minister Cordovez Sworn In G 2
Briefs: Drug Agreement With Peru G 2

PERU

Communique Rebukes U.K., Supports Argentina [AFP] J 1
State of Emergency Extended in Callao, Lima J 1
Briefs: Drug Traders Arrested J 1

URUGUAY

Communique Reaffirms Support for Falklands [AFP] K 1
Iglesias Returns, Criticizes U.S. Oil Tax [AFP] K 1

VENEZUELA

Deputies Reprove U.S. Government Petroleum Tax L 1

MEXICO

U.S. Drug Trafficking Law Draws Protest Note M 1
Commerce Secretary Criticizes U.S. Oil Tax M 2
[UNOMASUNO 26 Oct]
Paper Views 'Unjust' U.S. Migrant Workers Law M 2
[EL NACIONAL 24 Oct]
Canada Interested in Skilled Migrant Workers M 3
De la Madrid Supports Alfonsin on Falklands M 3
IDB Approves $600 Million Loan for 1987 M 4
Cuban Industry Official Discusses Regional Trade M 4
Salvadoran Alien Arrests Increase Since Quake M 4

PANAMA

Paper Praises U.S. Ambassador's Statements N 1
[EXTRA 30 Oct]

CENTRAL AMERICA

COSTA RICA

Arias Voices 'Concern' to U.S. on Contra Aid P 1

GUATEMALA

Army Spokesman Views War in Region as 'Imminent' [DPA] P 1
Cerezo Willing To View Guerrilla Dialogue Offer P 1
URNG Proposal Divides Parties P 2

HONDURAS

Azcona Stresses Democratization in Nicaragua P 3
[EL HERALDO 30 Oct]
Lopez on Contras, Plane Deal [LA TRIBUNA 29 Oct] P 3
Orbin Opposes Contra Motion P 4

NICARAGUA

'Documentary Evidence' Describes Hasenfus Links P 5
Editorial Berates Reagan Committee on 'Open 'War' P 5
[BARRICADA 29 Oct]
Minister Ruiz Wants 'Settlement' With U.S. [Budapest] P 6
Reports on Trip to Hungary [BARRICADA 29 Oct] P 8
Minister Protests Honduran Border Attacks P 9
[BARRICADA 29 Oct]

CUBA

U.S. Drug Law Seen as Border 'Militarization' Q 1
Havana Radio Views UN South Atlantic Resolution Q 1
FMLN-FDR on Earthquake Aid, 'Genocide' Alert Q 2
Risquet Meets With ANC's Tambo, PLO's 'Arafat Q 3
Cabrisas Ends 'Promising' Uruguayan Visit Q 4
Bolivian Officials Approve Havana Agreements Q 4
'Bourgeois,' Socialist Freedom of Press Compared Q 4

DOMINICAN REPUBLIC

Balaguer Changes Stance Toward Social Christians R 1
Discusses Debt Renegotiation R 2

CARIBBEAN

ANTIGUA AND BARBUDA

Communique Concludes Talks With Trinidad-Tobago S 1

ST LUCIA

Labor Party Ends Conference on Platform S 1

HAITI

Thionier Revives Duvalierist REN Party S 2

ALFONSIN CREATES MILITARY ADVISORY COMMITTEE

PY310212 Buenos Aires DYN in Spanish 2351 GMT 30 Oct 86

[Excerpt] Buenos Aires, 30 Oct (DYN) -- It has been officially reported that the tense situation caused by the worsening of the conflict of sovereignty over the Malvinas Islands this afternoon led President Raul Alfonsin to decree the creation of a military advisory committee, which will advise him on defense strategies.

The creation of this committee, which is made up of government officials and military commanders, is provided for in the defense law under study in congress. However, the British decision to create an economic and fishing preservation zone around the Malvinas Islands has compelled the president to create the committee through a decree. The preservation zone affects Argentine seas.

Even though the formalities of the decree have not yet been completed, the Presidential Press Office has already released it. The whereas clauses, which are very concise, state "it is necessary to count on the cooperation of the specific advisory and assistance organs to provide for the national defense."

The committee will advise President Alfonsin, the Armed Forces commander in chief, on how to conduct military operations. The committee will include the defense minister, the chief of the Joint Staff, and the chiefs of staff of the Armed Forces. The decree states the president may appoint other officials or invite members of the other branches of government, or persons whose qualifications, in the president's opinion, [passage indistinct] for the specific issues that will be analyzed. The committee will be headquartered at the Joint Staff offices. Brigadier General Teodoro Waldner, the chief of the Joint Staff, will be the secretary of the Advisory Committee. Whenever applicable, President Alfonsin will delegate the duty to direct and coordinate the committee's activities to Defense Minister Horacio Jaunarena.

The official decision to create the committee was learned this morning. The official decision was to follow the defense law provisions and to create a committee very different from the one that operated under the last military administration. The committee, which will be headed by the president, will be made up of Defense Minister Horacio Jaunarena, chief of the Joint Staff Brig Gen Teodoro Waldner, Army Chief of Staff General Hector Rios Erenu, Navy Chief of Staff Vice Admiral Ramon Arosa, and Air Force Chief of Staff Major General Ernesto Crespo. Under the provisions of the defense law, the president is empowered to call other officials or persons whose qualifications are deemed useful for the specific issues to be discussed by the committee. It has also been learned that the Joint Staff will design the jmilitary strategic planning, and that strategic, operational, joint, specific, combined, or territorial commands may be created. [passage omitted]

'Maximum Alert' Declared

PY301115 Madrid EFE in Spanish 0825 GMT 30 Oct 86

[By Jesus Fonseca Escartin]

[Excerpts] Buenos Aires, 30 Oct (EFE) -- Argentine President Raul Alfonsin has reported that Great Britain is fomenting "a true threat to international peace and security," and he declared Argentine forces in the South Atlantic on "Maximum Alert."

Argentine forces were placed on "maximum alert" last night after a meeting that President Raul Alfonsin held with Foreign Minister Dante Caputo and the chiefs of staff of the Army, Navy and Air Force. [passage omitted]

Foreign Minister Caputo has told EFE that Great Britain's decision implies "an act of usurpation of Argentine territory and seas" something that he described as "a very serious position and one with which the Argentine Government is seriously concerned."

A Defense Ministry spokesman has reported that "Great Britain's behavior has compelled Argentina to take as of this moment a preventive and defensive position in view of any situation that may arise."

Buenos Aires learned about the unexpected British decision a few days before the main Army units, seated in the southern Patagonia region, ended 3 weeks of maneuvers, the most important ones since the end of the war waged by Great Britain and Argentina.

The joint staff has stated that "while the situation remains unclear, the release of the first soldiers who were supposed to go on leave starting this week in view of the end of the military year, will be suspended."

Despite the immediate and strong measures adopted by Argentine authorities, government sources have said these "in no way are similar to what happened between 2 April and 14 June 1982 [the Falklands war]. [passage omitted]

Military Suspends Leaves

PY302051 Formosa Domestic Service in Spanish 2020 GMT 30 Oct 86

[Excerpts] Mar del Plata -- At noon today Defense Secretary Alfredo Mosso said the government is closely following the situation prompted by the British decision to declare an exclusive zone for economic exploitation around the Malvinas and all peaceful resources through diplomatic channels will be exhausted, although the country is on a state of alert.

In statements to Radio Mar del Plata at noon today, Mosso confirmed that leaves of absence for military officers have been suspended. [passage omitted] The defense secretary described the British stance as bellicose and irrational and noted that this situation will only strengthen the Argentine position on the Malvinas.

ALFONSIN, UN SECRETARY GENERAL DISCUSS FALKLANDS

PY302334 Buenos Aires TELAM in Spanish 2215 GMT 30 Oct 86

[Text] Buenos Aires, 30 Oct (TELAM) -- President Raul Alfonsin today stressed, in connection with the South Atlantic conflict with Great Britain over the Malvinas Islands, that we are men of peace and emphasized Argentina will act prudently, but warned that we will not cease to firmly exercise our rights. Alfonsin told this to UN Secretary General Javier Perez de Cuellar during a telephone conversation this afternoon. The Argentine President told the UN secretary general about the concern of the Argentine Government over the unilateral decision of Great Britain to extend the fishing protection zone around the Malvinas Islands.

According to information released from Argentine Government House. Perez de Cuellar told Alfonsin he lamented the report he had received from the British ambassador to the United Nations, because it consituted the beginning of a conflict and because he understood that the British measure may have been interpreted as a provocation. It was reported that the UN secretary general asked the Argentine president for his permission to relay the contents of the telephone conversation to the British.

Alfonsin also contacted Colombian President Virgilio Barco, who heard out Argentina's position and told Alfonsin he would do what he could to help that great country (meaning Argentina). Alfonsin also explained his country's position to Ecuadoran President Leon Febres Cordero, who promised his country would provide prompt support for Argentina's position.

Mugabe Contacts Alfonsin

PY302152 Paris AFP in Spanish 2111 GMT 30 Oct 86

[Text] Buenos Aires, 30 Oct (AFP) -- It was officially reported in Buenos Aires today that Robert Mugabe, the Zimbabwean president and chairman of the Nonaligned Movement, will ask for "explanations" from the British Government on its decision to declare an exclusive economic zone around the Malvinas Islands. An Argentine Government House source reported that Mugabe today contacted President Raul Alfonsin, and after being briefed on the situation, told his Argentine counterpart he will immediately inform the members of the Movement and the members of the Coordination Bureau of the organization. Mugabe told Alfonsin he is going to "request explanations from the British Government on the measure adopted," the sources stated.

Alfonsin Calls Counterparts

PY301832 Buenos Aires TELAM in Spanish 1750 GMT 30 Oct 86

[Text] Buenos Aires, 30 Oct (TELAM) -- President Raul Alfonsin this morning talked by phone with the presidents of Uruguay, Brazil, Peru, Venezuela, Spain and France on the situation created by the British decision to extend the exclusion zone around the Malvinas Islands.

First Alfonsin talked with Brazilian President Jose Sarney who expressed his surprise over the unilateral British decision made just hours after the United Nations voted on a project sponsored by Brazil declaring the South Atlantic a peace zone. Alfonsin then talked with Uruguayan President Julio Maria Sanguinetti to inform him on the situation. Sanguinetti expressed the solidarity of the Uruguayan people with Argentina.

Alfonsin then talked with Spanish President Felipe Gonzalez, and Peruvian President Alan Garcia to give them a quick review of the situation and the position of the Argentine Government. The conversation then continued with Venezuelan President Jaime Lusinchi who told Alfonsin this issue was being evaluated by his council of ministers and the Venezuelan Foreign Ministry is going to issue a declaration supporting Argentina.

Alfonsin then talked with French President Francois Mitterrand. Alfonsin thanked the French president for the note Mitterrand sent to him in Strasbourg when he received the human rights award.

Alfonsin told Mitterrand the Argentine people advocate peace and our government is a government of peace. He also said Argentina will not only act with prudence, but also with the necessary firmness to face a situation labeled as a new aggression that disregards the UN recommendations. The French president said he already informed his government about this case and he had no interest in seeing the conflict get worse. He said he is willing to help and to participate in whatever is necessary to contribute to reconciliation in accordance with international law.

During the telephone conversations held this morning in Government House, President Alfonsin was accompanied by Foreign Minister Dante Caputo, Economy Minister Juan Sourrouille, Presidential General Secretary Carlos Becerra and Presidential Spokesman Jose Ignacio Lopez.

Chile Issues Communique

PY302339 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2230 GMT 30 Oct 86

[Text] Buenos Aires, 30 Oct (NA) -- The Chilean Government today reiterated that it recognizes "Argentina's legitimate rights over the Malvinas" and offered to state its solidarity with our country "on every occasion and at every forum that may be necessary." The declaration released in Buenos Aires by the Chilean Embassy states "it is indispensable for both parties to arrive at a peaceful solution to the dispute" between Great Britain and Argentina, which has been worsened by London's unilateral decision to extend its control of the South Atlantic.

The position of General Augusto Pinochet's government is stated in the following communique:

Regarding the recent declaration of the United Kingdom on the Malvinas Islands, the Chilean Embassy "emphatically" states:

1. Chile reiterates its traditional acknowledgment of Argentina's legitimate rights over the Malvinas Islands.

2. Once again Chile feels that it is indispensable for the parties to arrive at a peaceful solution to the dispute in compliance with the UN resolution, which Chile has sponsored and supports, and in keeping with international law.

3. The Chilean Government is prepared to state its solidarity on every occasion and at every forum that may be necessary.

Foreign Ministers To Meet

PY310048 Paris AFP in Spanish 0030 GMT 31 Oct 86

[Text] Montevideo, 30 Oct (AFP) -- Government sources reported in Montevideo tonight that the foreign ministers of Argentina, Brazil, and Uruguay will meet in the Uruguayan sea resort of Punta del Este (140 km east of Montevideo) on Sunday, 2 November, to analyze "the situation that has arisen over the Malvinas Islands." The meeting, which has been called by Uruguayan President Julio Sanguinetti, will be attended by Ministers Dante Caputo (Argentina), Roberto de Abreu Sodre (Brazil) and Enrique Iglesias (Uruguay).

BBC CLAIMS ALFONSIN 'UNDER MILITARY PRESSURE'

PY310125 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2340 GMT 30 Oct 86

[Excerpt] Buenos Aires, 30 Oct (NA) -- The BBC today justified the British Government decision to extend the exclusive fishing zone around the Malvinas Islands on the need to preserve fishing resources, "in view of the accords that Argentina has signed with the USSR and with other communist countries." In a program heard in Buenos Aires, the BBC said that in addition to the accords, there was also "the presence of third countries, like Japan and the ROK," which have begun intensive operations in the area. The BBC added the decision "was warmly welcomed" by the islanders.

The BBC included brief reports on the new situation [passage indistinct] in the afternoon and in the evening, although they were attached no priority, unlike other issues like international oil prices and the British-Syrian crisis. [passage omitted]

In another newscast, the BBC included a brief report on the situation in the South Atlantic. The report said President Raul Alfonsin acted "under military pressure" and that Defense Minister Horacio Jaunarena stated Argentine reserves for itself the right to give an opportune answer to London.

Jaunarena Refutes Claim

PY310042 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2315 GMT 30 Oct 86

[Text] Buenos Aires, 30 Oct (NA) -- Defense Minister Horacio Jaunarena today confirmed that the only measures taken following the British decision to extend the exclusive economic zone are the creation of the military committee and the cancellation of leaves for recruits in the next few days. He denied that the troops in southern Argentina have been mobilized.

The minister added: "No other measures, other than those already made public, have been adopted. Neither have we given any special recommendations to the fishing ships operating in the southern sea." Jaunarena stated "there are no plans to modify the national budget." He described as "absurd" a report by the BBC that the Argentine Government adopted the measures "under pressure" from the miltary commanders.

Jaunarena emphasized the atmosphere of "solidarity" that the government has found in various social sectors in the wake of the unilateral British decision. "Obviously, the Armed Forces are among these social sectors," he said. The minister explained "anything dealing with the Malvinas generates immediate solidarity, because it is one of the topics in which Argentines are most interested." "This is why we have found solidarity within the Armed Forces," he stated.

Concerning the creation of a military committee, Jaunarena explained it will play an advisory role and it will "give the Armed Forces, which constitute a sector of society, a chance to participate in the evaluation of the situation." Jaunarena made these comments during a brief conversation with newsmen shortly before he met with the chiefs of staff of the three branches and the chief of the Joint Staff. He said it was the "routine Thursday meeting."

The minister clearly admitted the government "is concerned" about the situation caused by Great Britain, because "the decision is of such magnitude that no one could have remained indifferent." He reiterated that the government has decided to make "a permanent analysis and follow the events" to evaluate the situation.

MINISTER CAPUTO ADDRESSES SECRET SENATE SESSION

PY301707 Buenos Aires TELAM in Spanish 1646 GMT 30 Oct 86

[Text] Buenos Aires, 30 Oct (TELAM) -- The Senate began a secret session at 1330 [1630 GMT]. Foreign Minister Dante Caputo is participating in the session. The foreign minister will inform the senators about the Argentine Government's policy regarding Great Britain's decision to declare an exclusive economic zone around the Malvinas Islands.

Denies Troop Movements

PY302202 Buenos Aires TELAM in Spanish 2031 GMT 30 Oct 86

[Text] Buenos Aires, 30 Oct (TELAM) -- Foreign Minister Dante Caputo, in reply to a question, has categorically denied that there are troop movements under way in Argentina. He made this statement as he was leaving Congress following the secret Senate session that lasted more than 3 hours. He explained: It is not up to me to answer that question, but to the Joint Chiefs of Staff, to the Defense Ministry. What I can say is no decision has been made in this regard.

He also explained that some military maneuvers had been planned a long time ago and that they have nothing to do with this issue, but with maintaining the different branches of the Armed Forces in good condition. There are no troop movements, he reaffirmed.

In answer to another question, he denied that the Argentine Government has contacted the Soviet Union. It is not in our plans yet, Caputo stated. Asked whether a military advisory committee has been created, the foreign minister answered: Some meetings are being held. Call it a military committee, or call it whatever may seem appropriate. Meetings are being held at the Defense Ministry with the chief of the Joint Staff and the commanders of the Armed Forces.

He explained that the military aspect is one of the aspects we are discussing, but it is not the only one. There are also the political and diplomatic aspects, as well as the military one. I would not like to give the impression that this issue is essentially of a military nature. No, it is a complex issue. But since Argentine territorial integrity is being affected, by no means can we disregard this issue.

He explained that President Raul Alfonsin today contacted several chiefs of state, especially those of Latin America, and he is still doing so at this moment. Moreover, he stated, the foreign ministry is calling a number of ambassadors of those countries that fish in that zone (south of Argentina). We are also contacting several foreign ministers, he added.

We are studying the final details of the steps we will take in multilateral organizations, that is, the United Nations, the OAS, etc. We are preparing a battery of diplomatic tools, both bilateral, that is on a country-to-country basis, and multilateral for use in the international organizations.

The foreign minister refused to comment on the nature of the secret Senate session. Radical Civic Union Senator Adolfo Gass, who was accompanying Caputo as he left Congress, explained to reporters that the senators decided the meeting be held secretly, and we are not going to give any information on it.

Grants News Conference

PY302227 Buenos Aires TELAM in Spanish 2147 GMT 30 Oct 86

[Text] Buenos Aires, 30 Oct (TELAM) -- Foreign Minister Dante Caputo today categorically denied that there are any troop movements under way in the south of the country. He also said Argentina will continue exercising in the southern zone the powers stemming from its sovereignty over the area. Caputo did not rule out the possibility of frictions with the British Armed Forces.

The Argentine foreign minister made these comments during a news conference he granted to foreign correspondents accredited to the Argentine Government. At the news conference he described the current situation by saying it is tantamount to the British taking over the sidewalk of our house and now wanting to seize our front yard, the plants included.

He reasserted that Argentina will demand compliance with the resolutions of the UN General Assembly in order to defend Argentine sovereign rights over the southern archipelago. He added Argentina will defend these rights at every international forum to which it has access. The news conference was held on the 14th floor of the Foreign Ministry and lasted 45 minutes.

Disavows 'Aggressive' Spirit

PY310155 Paris AFP in Spanish 2310 GMT 30 Oct 86

[Text] Buenos Aires, 30 Oct [AFP] -- Argentine Foreign Minister Dante Caputo today in Buenos Aires asserted that the exclusion zone around the Malvinas Islands unilaterally declared by Great Britain on Wednesday, 29 October, covers a 200-miles radius and this measure, which is already in force, may, therefore, spark "incidents" at any moment. The Argentine foreign minister stated this interpretation of the declaration issued by his British counterpart, Geoffrey Howe, was confirmed to Argentina by Howe himself.

Caputo referred to the British declaration to explain that "on one hand, there is a 150-mile protection zone around the Malvinas within which no one will be able to fish as of 1 February without British authorization." "But there is also, and this is the most important point," he said, "the declaration of an economic exclusion zone of 200 miles around the Malvinas, and this measure has been in force since 1500 GMT on 29 October."

Caputo added "the interpretation, according to which the decision announced by London on 29 October only refers to the 150-mile zone, is designed to deceive international public opinion regarding the truth of the British aggression."

Commenting on the possibility of "incidents," Caputo noted that the new 200-mile limit means there is now a zone within which Argentina as well as Great Britain intend to exercise their sovereignty. He said: "This is the most serious and concerning issue, because under this situation it is quite clear that anything can happen. Argentine fishing vessels are currently operating in that zone and the possibility exists that a British vessel may go and ask them for explanations."

"Likewise," added Caputo, "if a vessel of any country enters what we consider our exclusive economic zone (up to 200 miles from the Argentine continental coastline), we will not give up our rights and will implement the measures we have always implemented after making the necessary warning, but without hesitating to go right to the end. There is nothing odd about this. Every country does it."

The minister denied that his country has an "aggressive" spirit and also "categorically" denied that the Air Force has been placed on a state of alert, noting that the patrols were being conducted before the British decision. "No one can claim the violation of human rights when a thief is imprisoned," he stated, "but England has seized a home which we consider ours, has taken over our sidewalk (the 150-mile zone), and now wants to seize part of our yard (the 200-mile zone)."

When he was asked about the implicit British offer to negotiate the delimitation of the exclusive economic zone, such as is done at an international level in the case of the overlapping of such zones, Caputo dismissed the possibility, explaining that "it would be the same as acknowledging British sovereignty over the Malvinas." Regarding possible economic reprisals against Great Britain, he only said that "no measure has been excluded."

He ended by stating that "we have proven (since democracy was restored) that we are not a bellicose country. We are all for prudence and the negotiated solution of conflicts, but we are also determined to defend our national interests strongly."

Questions UK Motives

PY301450 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1315 GMT 30 Oct 86

[Text] Buenos Aires, 30 Oct (NA) -- The Argentine Foreign Ministry today summoned the ambassadors of all those countries that fish in the South Atlantic to reassert the Argentine position that it will continue to uphold "the same [fishing] policy" despite Great Britain's decision to impose a fishing exclusion zone 240 km around the Malvinas Islands; and to express its "great concern" over any eventual agreement that third nations may sign with Great Britain in this regard.

This was reported this morning by Foreign Minister Dante Caputo in a statement he made to Radio Continental. Caputo also admitted that Argentina may call an urgent meeting of the Inter-American Reciprocal Assistance Treaty (TIAR) because the British decision is a virtual aggression against a TIAR member-country.

Caputo expressed his conviction that within the next few days the Argentine Senate will approve the general fishing agreement with the Soviet Union. He also regretted the fact that this agreement was not approved before the British made this unilateral decision.

The foreign minister reasserted that under the pretext of safeguarding fish resources and the environment, London "found a way to extend its position" in the South Atlantic. He attributed this decision to electoral considerations. In this regard, he said that on 18 October a British newspaper published a statement made by the president of the ruling British Conservative Party who called for a revival of the "Malvinas spirit" to be able to win the upcoming elections.

Answering a question, Caputo said the Foreign Ministry is studying the possibility of resorting to all available diplomatic tools, from the United Nations, and the Nonaligned Movement, to the OAS.

TROCCOLI SUMMONS PARTIES TO FALKLANDS BRIEFING

PY310019 Buenos Aires TELAM in Spanish 2338 GMT 30 Oct 86

[Text] Buenos Aires, 30 Oct (TELAM) -- Argentine Interior Minister Antonio Troccoli has summoned the heads of several political parties to a meeting during which Foreign Minister Dante Caputo will report on Argentina's position in view of Great Britain's decision to extend the economic exclusion zone around the Malvinas Islands. This meeting wil be held in the Hall of Shields of the Interior Ministry, and Interior Minister Facundo Suarez Lastra will be present.

The following leaders have been invited: Vicente Saadi for the Justicialist Party; Edison Otero for the Radical Civic Union; Julio Amoedo for the Popular Conservative Party; Carlos Auyero for the Christian Democratic Party; Rafael Martinez Raymonda for the Progressive Democratic Party; Francisco Manrique for the Federal Party; Mariano Lorences for the Intransigent Party; Rodolfo Calvo for the Integration and Development Movement; Guillermo Acuna Anzorena for the Popular Line Movement; Francisco Pasini for the Socialist Democratic Party; Guillermo Estevez Boero for the Popular Socialist Party; and Alvaro Alsogaray for the Democratic Centrist Union.

FISHING SECTORS TO CONTINUE FALKLAND OPERATIONS

PY301340 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1213 GMT 30 Oct 86

[Text] Buenos Aires, 30 Oct (NA) -- The Argentine Chamber of High-Sea Fishing Freezer Boat Operators, whose members will be hardest hit by the British decision to extend the exclusive economic zone, has stated that if the decision is approved by the British Parliament it will cause "great damage to the national industry."

However, the chamber's President Alfredo Pott said to NA that its members "will continue to operate in the zone" until the Argentine Government makes a decision which "the chamber will have to obey." He added: "Our industry already lost a large part of its production during the South Atlantic conflict and will now suffer a greater loss."

Yesterday, immediately after learning about the British decision, businessmen, members of the chamber of boat operators and union leaders of the fishing sector of Mar del Plata came to Buenos Aires to find out about the decision and its eventual consequences for the national industry.

Regarding the British decision, Alfredo Pott told NA that "according to our information the final decision has not yet been made because the measure which was announced by the British foreign minister must be approved by Parliament." Pott added: "If the decision is approved it will mean a great change in British foreign policy because so far tht country has never extended its alleged sovereign territory further than 3 miles."

Pott indicated there are four or five fishing boats from his sector operating in the area and that "until the Argentine Government decides otherwise, they will continue to fish." Pott explained that the fishing his sector is carrying out in that zone, which falls in the area Great Britain wants to extend, represents one third of the commercialized production in the entire country. He added that if the British decision is implemented "it will cause great damage to the industry because it means losing territory in which we operate."

Protest Soviet Agreements

PY301854 Buenos Aires DYN in Spanish 1407 GMT 28 Oct 86

[Text] Buenos Aires, 28 Oct (DYN) -- Those associations that group the Mar del Plata fishing producers and fishing sectors protested again today against those agreements Argentina has signed with the Soviet Union and Bulgaria, because they believe these agreements will not contribute to reactivate the fishing sector, and instead threaten to depredate seas. These groups have issued an open letter in which they reject these agreements arguing that "the Argentine fishing sector will not endorse the mistakes of (Fishing Under Secretary) Luis Jaimes."

It must be noted these agreements will now be considered by the Senate as is standard procedure. Moscow authorities asked President Raul Alfonsin to seek rapid approval for the agreement during his recent visit to the USSR. On that occasion, Jaimes, who accompanied Alfonsin as a member of the official entourage, praised what the Argentine Government believes to be an important benefit for the Argentine fishing sector. He also denied these agreements could cause ecological problems and the depredation of species in the South Atlantic.

However, the Argentine Chamber of Fishing Ship Owners, the Argentine Association of Fish Producers; the Mar del Plata Fishing Industry Association, the Mar del Plata Naval Industry Association, and the Mar del Plata Union of Trade, Industry and Production (UCIP) have again protested against the approval of these fishing agreements. The open letter is also signed by the Mar del Plata United Maritime Workers Union, the Mar del Plata Pilots Union, the Mar del Plata Navy Workers Union, the Argentine Port Workers Union, the Fishing Industry Workers Union, and the CGT [General Confederation of Labor].

The signatories demand "to be able to compete and, therefore, to grow and thus fill the void caused by 18 months of ineffective management by the present under secretary of fishing, who has ignored the repeated demands of the private sector, who has been unable to propose a national fishing policy, and who dedicated his best efforts to the granting of fishing quotas to foreign fleets. They are thus implicitly alluding to the agreement that Argentina signed with the Soviet Union. During his recent trip to the Soviet Union, Soviet authorities asked President Alfonsin to seek a prompt approval of this treaty by the Argentine Senate.

The Mar del Plata fishing sectors state that "a healthy administration of fishing resources is the basis for any fishing development program, which, according to scientists from the National Institute for the Development and Research of the Fishing Industry (INIDEP), must start with a study on natural resources in the area."

The workers and businessmen of the fishing sector suggest that research be conducted "to establish the present maximum volume of fish that can be caught and the maximum sustainable yield" before approving the agreements with the USSR and Bulgaria and that a commission be established in charge of evaluating and approving research programs and eventual complementary agreements.

They also demand that "available fishing resources be allotted to those Argentine companies that process exportable resources and to those foreign companies that will make true foreign investments, that will transfer technology and open new markets so that Argentina may expand its possessions over the marine fauna instead of giving it up to third countries."

They expressed support for a national fishing law because without it "we will always be at the mercy of whoever is the official in charge and because we lack laws essential in promoting regenerating resources." The signatories add that "the democratic participation that is promoted by the government is not strengthened through the actions of the officials of the fishing sector who have distorted the truth, who impede the holding of dialogue, and who are the only ones responsible for the present conflictive situation."

The so-called general agreements to be approved by the Argentine Senate permit Bulgaria and the USSR to catch 180,000 tons of fish annually, provided they purchase an additional 30 percent from Argentine companies. These agreements also establish that Bulgarian and Soviet ships must allow 10 percent of their crews be manned by Argentine citizens. This means if they are to fulfill their tasks, Argentine fishermen will be able to enter the exclusion zone that was unilaterally imposed by Great Britain around the Malvinas Islands.

This possibility compelled Great Britain to submit a protest note that was rejected by the Argentine Foreign Ministry. Caputo rejected the British protest note saying "it would be like Argentina protesting because Great Britain fishes in its own jurisdictional waters."

Ministry Assumes Responsibility

PY301903 Buenos Aires DYN in Spanish 0235 GMT 29 Oct 86

[Text] Buenos Aires, 28 Oct (DYN) -- Through a confusing communique, the Economy Ministry has assumed responsibility for the agreements that were recently signed with the USSR and Bulgaria. The communique notes that "different Mar del Plata fishing industry, business, and union groups have repeatedly criticized the negotiations carried out by the (?fishing) under secretariat regarding the agreements that were recently signed with the USSR and Bulgaria."

It adds that "the objections raised, which in some cases have offended Fishing Under Secretary Luis Enrique Jaimes, have been the subject of exhaustive negotiations between Jaimes and representatives from the fishing union and business sectors." The communique adds that these negotiations, which were also attended by representatives of the Mar del Plata fishing sector, ended with the signing of an agreement [words illegible] that led to the discussion of an agreement with third countries."

It states "this new step in the fishing policy was proposed by the executive branch, and that for obvious reasons its implementation has been entrusted to the fishing under secretariat, but only in these areas that are strictly related to its specific activity. This activity has been carried out in complete coordination with the Economy Ministry while all the necessary measures have been adopted to safeguard Argentine fishing resources."

GENERAL SANCHEZ PRAISES MAJOR MILITARY MANEUVERS

PY302315 Buenos Aires DYN in Spanish 1909 GMT 30 Oct 86

[Text] Pampa de los Guanacos, 30 Oct (DYN) -- Almost 4,000 Army soldiers under the direct command of 7 generals on 2 November will end the various phases of the most importrant military maneuvers held since the Malvinas War, at a time when Great Britain decided to extend its so-called "exclusion zone" to 200 miles around the archipelago.

Paradoxically, the geographical features of the area where the maneuvers are being conducted are similar to those of the Malvinas Islands. The area is located approximately 100 km from the Patagonia coast and from Comodoro Rivadavia. The exercises include air support by A-4B fighter bombers headquartered in San Luis. After the British decision was made known, the fighter bomber crews were ordered to remain in the area. Navy units are also participating in the exercises. The aircraft carrier 25 de Mayo and other sea fleet units are sailing to Comodoro Rivadavia from the northern end of the Gulf of San Jorge.

The exercises, which have been conducted in various phases and in different periods of time, have been under way since 6 October in a large area of Patagonia including Neuquen and La Pampa Provinces, and the southern area of Buenos Aires Province, where the first part of the maneuvers were staged. After the restructuring of the Armed Forces, the southern region of Buenos Aires Province was placed under the jurisdiction of the V and IV Army Corps. Tanks, artillery, engineers, communications equipment, and logistical support units of the Tandil, Azul, Olavarria, La Tablada, and Magdalena garrisons and planes of air-sea unit No 1, which is headquartered in Punta Indio. participated in the maneuvers in the southeastern area of Buenos Aires Province.

Artillery Command 101, Junin and Ciudadela units, an artillery unit from the Sargento Cabral School for Noncommissioned Officers, and planes of the 4th Fighter Squadron of the Comandante Espora Air-Sea Base, which is headquartered in Bahia Blanca, participated in the Coronel Granada area (along the border with La Pampa).

V Corps engineering units and 11th Mechanized Infantry Brigade units participated in Santa Cruz Province, where between 9 and 23 October the forces were divided into two groups in the Comandante Luis Piedrabuena and Estancia La Primavera areas, to the north of Rostengek. In this sector, the ground forces receive air support from Pucara planes and long-range Canberra bombers, which are headquartered in Parana.

Troops of the 9th Infantry Brigade and of the 181 Armored Cavalry Reconniassance Detachment of Esquel, City Bell electronic intelligence and communications experts, and planes and helicopters of the Campo de Mayo Army Aviation Command participated farther north, in Chubut.

The Pucara and the A4B Douglas planes of the Air Force undertook exploration, reconnaissance, and direct air support tasks along the mountain range, barely 40 km from the Chilean border. All the units of the 6th Mountain Infantry Brigade participated in the maneuvers in this area. In an action that General Mario Jaime Sanchez, deputy chief of the Army General Staff, described as "brilliant." these units for 10 days engaged in simulated combat of great realism, resisting and repelling an invasion from across the mountain range. The invaders were soundly beaten with the help of modern artillery units and original combat methods; for example, motorcycles manned by commandos armed with light weapons like mortars and antitank devices.

The final phase of the exercises, which will end on 2 November on the Patagonia coast, will be conducted in the Pampa de los Guanacos, where the environment is similar to that of the Malvinas Islands.

After praising the forces that have participated in the maneuvers, Gen Sanchez said "the exercises have allowed us to test, with great realism, the psychological and physical capacity of the troops and their ability to cope with the various situations that occur in combat."

In conversations with unit commanders and officers, Sanchez praised the work performed and the "imagination and initiative that helped compensate for the budget restrictions burdening the nation, of which the Army is also a part."

GOVERNMENT FEARS CHANGES WITHIN COMMUNIST PARTY

PY292319 Madrid EFE in Spanish 2137 GMT 27 Oct 86

[By Alberto Francisco Arebalos]

[Text] Buenos Aires, 27 Oct (EFE) -- In a change of position that is worrying the government of Raul Alfonsin, the Argentine Communist Party (PCA), which is preparing to hold its 16th congress, intends to end its reformist tradition and, for the first time, is considering the issue of assuming the government.

In what is considered a decisive step toward the 16th congress, the Communists of the federal capital on Monday morning, 27 October, elected new officers and strengthened the "self-criticism" line announced a few months ago by the top leaders of the organization.

The federal capital and the urban belt that surrounds it -- so-called, Greater Buenos Aires -- are the electoral districts where the PCA has gained the largest number of votes, although so far it has not been able to win a seat in the Chamber of Deputies. Led by its young leader, Patricio Echegaray, the Communists of the Argentine capital will promote in the 16th congress -- scheduled from 4 to 8 November -- a "turn to the left" that will include "purging" several leaders who have ruled the party over the past few years.

The new PCA poltical strategy is marked by three fundamental points: Its position in relation to Peronism, which is supported by the majority of the working class; the creation of an electoral front for the upcoming elections; and the crucial question of struggling for power.

Concerning the first question, the new Communist leaders believe that, although the presence of the "Peronist masses" in the National Social Liberation Front (FLSN) is necessary, the PCA will not continue to support Peronist leaders charged with belonging to the "national bourgeoisie."

The Communists have apparently abandoned the idea of forming an alliance with "bourgeois" parties and have decided to struggle for power to guide Argentina, as Echegaray put it, toward the "path leading to socialism."

In this regard, criticism of the PCA "old guard" has been primarily focused on its 1983 electoral alliance with the Justicialist Party, which was finally defeated by the candidate of the Radical Civic Union, Raul Alfonsin. The PCA seems ready to give up its "reformism" and launch a new revolutionary policy.

According to what government sources have told EFE, this question concerns President Alfonsin himself, because it is feared that a radicalization of the Chilean conflict may cause a similar reaction by the PCA, which is in accord with the Manuel Rodriguez Patriotic Front (FPMR) -- the "armed branch" of the Chilean Communist Party. President Alfonsin has repeatedly criticized the shift observed within the PCA. According to undenied press rumors, Alfonsin discussed the subject with Soviet leader Mikhail Gorbachev and Cuban President Fidel Castro during his visits to the USSR and Cuba.

Another example of the drastic shift within the PCA, which is Marxist and pro-Soviet, is its alliance with the Trotskyite Movement Toward Socialism (MAS) to form the People's Front. In November 1985, this alliance almost won a seat in the Chamber of Deputies for Buenos Aires Province. Some critics of this alliance, including members of the PCA itself, say that the radical positions of the MAS have provoked changes within the once reformist PCA.

One of the most controversial aspects of the new Communist "self-criticism" is the review of the position adopted by Communist militants during much of the de facto regime. Apparently, some of them have been charged with calling for a "military-civilian" union then, and with criticizing the "mothers of Plaza de Mayo."

For this reason, as an indication that new policies and philosophies are being adopted by the PCA, the PCA Central Committee held a meeting in Buenos Aires to pay tribute to the 45 Communists who have been missing since the military dictatorship and to "Che" Guevara, who was severely criticized in Argentina in the past for his political "adventurism" in starting a guerrilla war in Bolivia.

CONSTANTINI REPORTS CLOSURE OF URANIUM PLANT

PY291727 Paris AFP in Spanish 0238 GMT 29 Oct 86

[Text] Cordoba, Argentina, 28 Oct (AFP) -- A uranium processing plant located in Sierra de los Gigantes, Cordoba Province, some 750 km northwest of Buenos Aires, was closed on 24 October to prevent possible risks of contamination.

Alberto Constantini, head of the National Commission for Atomic Energy, today reported the closure and affirmed that, so far, no contamination has been detected in the privately-run plant.

The waste pools, which collect mostly acids, were almost full and might have overflowed if it rained and could have contaminated an adjacent stream. Constantini said that, following this preventive measure, other solutions, such as the construction of new pools to collect the uranium waste, will be sought.

DEFENSE OFFICIAL EXPLAINS MILITARY DOMESTIC ROLE

PY282314 Buenos Aires BUENOS AIRES HERALD in English 28 Oct 86 p 11

[Text] (NA) -- "The Armed Forces will be able to intervene in internal conflicts if police and security forces are overwhelmed, and only if they are summoned by the executive power," specified Defence Secretary Alfredo Mosso yesterday. "If the security forces cannot manage, the population will not be left defenceless, as there will be no inconvenience in summoning the Armed Forces," said Mosso in reference to the newly-passed defence law. Finally, he explained that "what matters is the order for the summoning, the police and security forces come first" in case of an eventual outbreak of subversion.

INTERIOR MINISTER CRITICIZES RESIGNATION REQUEST

PY301620 Paris AFP in Spanish 1442 GMT 29 Oct 86

[Text] La Paz, 29 Oct (AFP) -- Interior Minister Fernando Barthelemy today charged leftist sectors with attempting to destabilize Victor Paz Estenssoro's government by proposing the removal of three ministers in connection with the Huanchaca case.

The opposition has called for the resignations of Barthelemy, of Defense Minister Fernando Valle, and of Foreign Minister Guillermo Bedregal. Barthelemy said some politicians are just trying to use the Huanchaca case to attack the government.

The Huanchaca case began on 5 September when zoologist Noel Kempf and two aides were murdered by drug traffickers. Later, the largest cocaine processing plant in Bolivia was accidentally discovered in that area.

Barthelemy said he cannot understand how they (the leftist politicians) can request the removal of the one minister who has attacked drug trade, something that has caused such great, head-on damage to Bolivia.

Upon concluding that the authorities could have known about the existence of the cocaine factory, but failed to take any action to destroy it, a congressional investigative commission has requested that Congress consider the possibility of censuring the three ministers. If Congress approves the request, there will have to be a cabinet reshuffle because the three ministers will have to resign.

Congress DEA Ruling

PY310057 La Paz La Red Panamericana in Spanish 0001 GMT 31 Oct 86

[Text] Foreign Relations Minister Guillermo Bedregal Gutierrez has said that the DEA officials who enjoy diplomatic immunity will be expelled from the country if it is requested by the Bolivian Congress, which is investigating the Huanchaca case. He added that any resolution adopted by the Congress regarding the presence of DEA officials in the country will be fulfilled.

Antidrug Forces Reshuffled

PY301606 Madrid EFE in Spanish 1529 GMT 29 Oct 86

[Excerpt] La Paz, 29 Oct (EFE) -- The Bolivian Government today decided to reshuffle the personnel assigned to the Mobile Unit for Rural Areas (Umopar), a specialized antidrug force whose members are called "Leopards."

The decision was made a few hours before a Bolivian congressional session was to begin. The session was called to study the conclusions of a special congressional investigative committee on the Huanchaca case, that is, the case of a team of scientists that was attacked by drug traffickers. Interior Minister Fernando Barthelemy announced that the "Leopards" will be replaced by personnel of the Special Security Force [Crupo Especial de Seguridad] (GES), a branch of the Bolivian Police.

The reshuffling within UMOPAR comes just before a congressional session is scheduled to begin. The session will discuss an opposition demand for the resignation of the ministers of interior, defense, and foreign relations, because of their irresponsible actions in the antidrug fights; and a complete reshuffling within antidrug organizations proposed by the Nationalist Democratic Action (ADN) in its report on the Huanchaca case. [passage omitted]

FOREIGN MINISTER ON RAPPROCHEMENT WITH CHILE

PY301524 La Paz La Red Panamericana in Spanish 1130 GMT 30 Oct 86

[Text] Foreign Minister Guillermo Bedregal Gutierrez has said that there are no negotiations with Chile over the maritime problem, that what is being conducted is a process of relaxation of tensions to facilitate future negotiations with that country. Bedregal added that what has been done so far is a rapprochement aimed at achieving a consistent, responsible and definitive negotiation of the maritime problem. He said: What we have been doing is a process of relaxation of tensions which I believe is essential, because negotiations cannot be conducted with anyone amid suspicion, insults, and emotional situations. I believe that since February we have made significant progress in this direction.

Regarding the Bolivian and Chilean Governments' decision to begin consular relations and to discuss trade, transportation, immigration matters and other issues, Bedregal indicated that the decision does not mean that we have omitted other issues that could be negotiatied in the future.

BEDREGAL HAILS PRC ENVOY ASSIGNMENT 'DAY OF JOY'

PY301930 La Paz La Red Panamericana in Spanish 1700 GMT 30 Oct

[Text] The new PRC ambassador to Bolivia this morning presented his credentials to President Victor Pas Estenssoro. (Yang Tao) is the first PRC ambassador in Bolivia since our country reestablished diplomatic relations with that nation. The ceremony, held in Government Palace, was simple but solemn. After the ceremony, the new ambassador told the press that the agreements signed during the visit Bolivian Foreign Minister Guillermo Bedregal made to China will be fulfilled.

Foreign Minister Guillermo Bedregal said that today is a day of joy because the PRC diplomatic mission in our country has been accredited.

[Begin Bedregal recording] I had the privilege of attending for the first time as foreign minister the inauguration of the PRC Embassy. Today is a day of joy with the presence of the first PRC ambassador in our country. The agreements signed in Beijing will be implemented now that we have a mission chief whom we believe has exceptional qualities as a diplomat and who knows Latin America. [end recording]

DISCUSSES TRADE, NICARAGUA AT ITAMARATY

PY301412 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 28 Oct 86 p 6

[Text] At the end of a 2 1/2-hour meeting yesterday, U.S. Assistant Secretary of State for Inter-American Affairs Elliott Abrams and Under Secretary for Bilateral Affairs Ronaldo Costa admitted that the problem of the market reserves in the informatics field is still not reflected in Brazilian-U.S. political relations.

Abrams, who will be received at Planalto Palace today, said "I have not come to discuss any specific issue. I am here to discuss with President Sarney any subject he may wish to broach." He said that he was not bringing any message from Ronald Reagan to President Sarney. Ronaldo Costa criticized the way in which the media has handled the informatics issue, stating that it is up to the Brazilian Government "to conduct the issue in an adequate manner in order to safeguard our interests and coexistence."

Costa described the Brazilian-U.S. political relations as "good." He stated that "we have different points of view and feelings on some issues, but these differences are not a matter of conflict." Costa said that during the meeting Abrams had referred to the U.S. deficit in the trade balance with Brazil, noting however, that Washington recognizes the importance of Brasilia maintaining a surplus in order to be able to meet its foreign debt commitments.

Costa said that, in referring to Nicaragua, Abrams stated that the United States "wants a constructive world" in that country and that "the U.S. objective in Nicaragua is not to oust the government but to get it to fulfill its original promise to establish a democracy."

Ronaldo Costa said that regarding Chile, Brazil and the United States share "identical" points of view in the sense that the two countries hope for a democratic regime for that country. He ended by stating that "how Chile will reach democracy is the exclusive problem of the Chileans" noting that the Brazilian Government continues to respect "the principle of nonintervention."

ITAMARATY ISSUES STATEMENT ON FALKLANDS DISPUTE

PY302345 Buenos Aires TELAM in Spanish 2226 GMT 30 Oct 86

[By Cesar Crenzel]

[Text] Rio de Janeiro, 30 Oct (TELAM) -- Rui Nogueira, spokesman of the Brazilian Foreign Ministry, has given the media the text of the official declaration issued this afternoon in Brasilia on the Malvinas issue.

During a press conference beforehand, the spokesman stated that his country has recognized Argentine sovereignty over the Malvinas Archipelago since 1833. As a consequence, he said, Brazil understands that all acts deriving from the right to exercise sovereignty should be carried out by Argentina. Therefore, Brazil does not recognize that the United Kingdom enjoys the rights of a costal state.

The following is the text of the Itamaraty declaration:

With reference to the declaration issued by the British Government on 29 October and the communique issued by the Argentine Government last night (Wednesday, 29 October), the Brazilian Foreign Ministry reiterates the support it has given since 1833 to the Argentine claim over the Malvinas Islands and everything this sovereignty implies. In compliance with the resolution issued by the United Nations and also in keeping with the spirit of our diplomacy, Brazil urges Argentina and the United Kingdom to find a peaceful and lasting solution to their dispute.

Thus, Brazil seeks, with the means it has at hand, to contribute to the preservation of the climate of confidence that will favor a negotiated solution to the problem. Within this context, our expectations were strengthened by the creation of a zone of peace and cooperation in the South Atlantic, a project which has just been approved by the United Nations with the support of Argentina and the favorable vote cast by the United Kingdom.

Upholding its historic position on the dispute over the Malvinas, Brazil views with great concern any unilateral decision that may increase tensions in the South Atlantic and that may thus compromise the climate of confidence necessary for a solution of the dispute. In view of this situation, Brazil reasserts its support of the UN General Asembly resolutions on this issue.

U.S. TECHNICIANS ASSIST WITH ANGRA 1 PROBLEM

PY301449 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 28 Oct 86 p 1

[Text] Another accident occurred at the Angra 1 nuclear plant last Saturday. A failure developed in the diesel-fuel generator that is intended to keep the refrigeration system operating in case of emergency. A group of ecologists, who were staging a protest against nuclear energy in front of the plant, did not notice that something was wrong inside the plant. Since Brazilian technicians could not fix the problem, U.S. technicians had to be called in and they arrived in Angra does Reis yesterday. The accident was revealed yesterday in Sao Paulo by Camilo Penna, current Furnas Electric Company president and former government minister, who is responsible for the Angra 1 nuclear plant. Although the court has already authorized the resumption of the plant operation, Angra 1 will only be put back in operation once the generator has been fixed. Penna, however, does not know when repairs will be completed: "Only God knows about the future and Angra will return to operation whenever God wants."

PLANNING MINISTER VIEWS IMF BEFORE JAPAN TRIP

PY300359 Rio de Janeiro Rede Globo Television in Portuguese 0125 GMT 30 Oct 86

[Text] Planning Minister Joao Sayad will travel to Japan tomorrow. He will propose cooperation projects with Japanese companies and has expections of obtaining a loan for the National Economic and Social Development Bank [Banco Nacional de Desenvolvimento Economic e Social].

Sayad will also speak with Japanese bankers and explain the Brazilian Government's position toward the IMF.

[Begin Sayad recording] Brazil has an economy that owes approximately $100 billion, dating back to 1982. Out of this $100 billion, Brazil has already paid 42 [not further specified].

Brazil has an economy that, despite the prevailing international crisis, is not affected by a crisis. Therefore, Brazil does not need the IMF's presence. We can [changes thought] -- It is efficient for looking after the international economy, but Brazil is a country that is not affected by a crisis. Therefore, we do not need the ostensible presence or the monitoring of the IMF. [end recording]

VARIG SUSPENDS BELEM-PARAMARIBO SERVICE

PY292347 Brasilia Domestic Service in Portuguese 2200 GMT 29 Oct 86

[Text] The Brazilian Government is closely following the events in Suriname, where the increasingly strong actions of groups that oppose the government has led to an escalation of violence, especially in the central region and along the border with French Guiana.

Itamaraty spokesman Rui Nogueira has said that the Brazilian Foreign Ministry receives reports daily from Brazilian Ambassador to Suriname Sergio Bath and that the Brazilian citizens who live or work at the embassy are experiencing no problems thus far.

Varig airlines has informed Itamaraty that it suspended its Belem-Paramaribo flights on 28 October. The flights, which include a stopover in Cayenne, were suspended for security reasons because Janjerg Airport, 50 km from Paramaribo, offers no guarantee for civil flights.

DAILY DESCRIBES 'OBSOLESCENCE' OF ARMED FORCES

PY291359 Sao Paulo FOLHA DE SAO PAULO in Portuguese 26 Oct 86 p 18

[By Roberto Lopes]

[Text] An Army that lacks the money to purchase the tanks which its own country manufactures; a Navy that takes five years instead of one to refit a conventional submarine; an Air Force whose main combat airplanes feature 25-year old technology -- the picture is grim but it is the real situation of the Brazilian Armed Forces.

Not even the political power that was accumulated by the military during their 21 years in power (from 1964 until 1985) served to rid the ground troops, the Naval and Air Squadrons of obsolescence, of the need to improvise which, as proven by 4 years ago by the Argentines during the Falklands war, takes its toll in human lives.

On 20 October, during what was supposed to be a display of the Brazilian Air Force (FAB) power for the president of the Republic, Air Force Commander Brigadier Rosa Filho gave a "warning": the Air Force does not have the necessary equipment to defend the country's sovereign air space. In addition to operating obsolete airplanes, it teaches its combat pilots outdated strategy.

Brazil, which has the largest Armed Forces in Latin America comprising 280,000 men, until the first half of the 80's, used the small U.S. Stuart tank, which was produced back in the 30's and derisively called the "tree frog" [perereca] here.

In 1982 -- the difficult year of the South Atlantic crisis -- the Navy had all three of its most modern submarines (the British Oberon type) in the Rio de Janerio Naval shipyard for repairs. At that time, only the Humaita was able to operate in an emergency, but only by using two of its engines. The two attempts made by the Navy (in 1982 and 1985) to convert its old carrier Minas Gerais into an attack unit -- by the FAB acquisition of vertical-landing jets of the Harrier type -- failed. The Air Force General Staff considered the purchase of such airplanes too costly and a secondary priority, but this position always entails Air Force jealousy, and an attempt to keep their planes as far away as possible from the Navy -- an issue which almost sparked a conflict between the two forces in 1965 (when the FAB had to hand over to the Navy its operational airplanes) -- and which, in strategic terms, represented a setback of at least 40 years.

The military commanders which came after 1964 promoted a war industry that should have allowed the country to acquire a reasonable level of self-sufficiency in the production of weapons. Of all these initiatives, the only successful one was that of Embraer [Brazilian Aeronautics Company], which was created in 1966. The only success of the Army's Ordnance Industry (IMBEL) -- created in 1977 -- was to bring a few old Army factories together. Managed by generals as any other military unit, IMBEL, during the previous administration, had to be given a hand by Jose Whitaker Ribeiro, president of Engesa [Specialized Engineers, Inc.], but it is still facing problems mainly due to the Army's lack of the necessary resources to keep the industrial complex up-to-date.

The call for bids to choose a new helicopter is not ready yet and the government has not even chosen the site where the country's new helicopter factory will be established, but the Army has already decided that its first fleet of helicopters should be formed and ready to operate by July 1988.

The solution to the problem is that foreign enterprise will be awarded the bid in Brazil and supply the first group of helicopters. The cost of these helicopters will be deducted from the capital that the supplier would have to contribute to the venture, along with national capital. However, such imagination cannot always solve the problems of an Army with few resources.

For example, when the Army and the Sao Paulo enterprise Avibras [Brazilian Airspace Industry] concluded the cooperation phase for the development of the Astros II rocket and tried to negotiate for a battery of these rockets, they were not able to reach an agreement. The Army's War Material Department [DMB] considered the Avibras price for the rockets beyond the force's financial possibilities. Engesa, which manufactures armored vehicles, was more understanding, and last year closed a courteous deal by which, in recognition of the DMB's support for the introduction of its Osorio tank on the international market, will offer the Army 5 percent of the number of Osorio tanks sold to a foreign country.

Until it receives the Osorio tanks, the Army is training its personnel with a reconditioned version of the old U.S. M-3 A-1 Stuart, the latest thing in light tanks in 1939. More than 100 of these tanks, which have been rebaptized the X-1 A-2, are currently operating.

The modernization of the Stuart tanks was a cheap solution but not deceitful enough to drag the attention of the six other Latin American armies that still have this type of tanks. Despite the catalogues printed by the Sao Paulo enterprise Bernardini, which was responsible for modernizing the Stuart tanks, no orders for the X-1 A-2 were received from abroad. FOLHA has found out that the Bernardini management admits that its latest tank, the Tomoyo light tank, is not sophisticated or competitive enough for the disputed international market, but it attributes its meager success to the lack of more specific and demanding requirements by Army officers specializing in armored vehicles.

To attack missile-carrying frigates with small Xavante airplanes (constructed with 15-year-old Italian technology), or using F-5 fighters -- designed for interception operations or to attack ground targets -- to cover the airspace of the Navy Squadron vessels, are two of the improvisations to which the FAB has resorted to during the past 10 years.

The technique of attaching sophisticated vessels using fragil Xavantes produced by Embraer (The Sao Paulo enterprise based in Sao Jose dos Campos) is being developed by the group in charge of training the FAB fighter pilots, based in Fortaleza (Ceara). According to the exercises developed in the northern coast, this type of attack has a good chance of being successful as long as they are carried out by three airplanes all attacking simultaneously from different directions and in a perfectly coordinated manner. In order for this type of attack to be successful, clear and accurate shots, agile and risky escape operations, and a good dose of luck will be necessary.

In the Falkland Islands airspace in June 1982, none of that was enough to prevent the British from landing on San Carlos Bay, and later, the defeat. There, an Argentine Navy Aermacchi -- the youngest and most sophisticated brother of the old MB-326-G Xavante of the FAB -- alone bravely attacked Her Majesty's frigates. The pilot and airplane returned to the base (on Argentine continental territory) almost unscathed, but without causing any significant damage to the attacking squadron.

According to Navy officers the F-5E's have little use in naval operations. The F-5E's are not designed for naval combat, do not have the necessary range to operate far from the coast, and they require a special training process if interception operations and bombing ground targets are regarded as priority issues. The trouble is that the Air Force, which by law has the priviledge to operate military aircraft in the country, refuses to admit the need for effective Navy air power -- as if it feared that this would be the first step toward the Navy obtaining its own airplanes.

At the end of Figueiredo's administration some admirals holding key posts in the Navy Ministry in Brasilia agreed that the end of military governments and the need for new alliances could prompt the "New Republic" to reconsider the Navy's request to operate its "own aviation." There were plans to change the situation by creating an "inoffensive" air transport force for the Navy but this project was never even tried out.

On the morning of 13 December 1973 the submarine Humaita, the first of a series of three Brazilian submarines of the British Oberon class, ceremonially sailed through the Guanabara Bay toward the Admiral Castro e Silva submarine base. The Oberon submarines were a breeze of modernization in the submarine fleet which, almost 30 years after World War II, still used the U.S. submarines that served during that war.

In 1978, however, the Huanita entered the Rio de Janeiro Navy shipyard to be thoroughly refitted. This should have taken one year but at the end of five the Humaita still was not ready. The shipyard was not equipped to carry out the so-called "refit" [preceding word in English] operation for this type of vessel and had to send its officers to training courses abroad, and import the adequate machinery for the job. The huge task for the shipyard ended when it was discovered that the main repair to the axis of the crankshaft of one of the submarine's engines could not be done. The spare parts at the shipyard did not fit the Humaita.

The Brazilian Navy asked the Chilean Navy, which also operates Oberon submarines, for the spare part but the one that was sent did not fit either. There wasn't even a crankshaft to fit the Humaita at the vessel's manufacturers in England. A special order for the production of this spare part was necessary and the submarine was only able to sail again, using the power of its two engines, last year. So far the three submarines of the Oberon class are, together with the six frigates (also built with British technology) of the "Niteroi" type and half a dozen small mine sweeper vessels made in Germany the best that the Navy can mobilize.

REVISED CRUZADO PLAN SHRINKS PUBLIC SECTOR

PY291141 Rio de Janeiro Rede Globo Television in Portuguese 0230 GMT 29 Oct 86

[Text] The government is changing its position. That's right, the adjustments to the Cruzado Plan will be far smaller than that expected by everyone. This was the conclusion reached by Finance Minister Dilson Funaro together with his closest aides after spending a whole weekend discussing this subject in Sao Paulo.

Discussions were also held early this morning with President Sarney. The president told Minister Funaro and Planning Minister Joao Sayad that his government wishes to encourage investments which fuel the economy.

[Begin reporter Marcelo Netto recording] The government's attitude has changed. Excessive demand on the public sector will be cut. Government expenses will be cut, and the process of privatization of government companies will be hastened. Some state companies will be sold at auction.

The government also thinks it will be very difficult, indeed it has still not adopted any decision, whether to order those with a large income to open a compulsory savings account. The government wishes to maintain the income distribution promoted by the Cruzado Plan. Despite the inevitable criticism, the government will modify the way in which the IBGE [Brazilian Institute of Georgraphy and Statistics] calculates the inflation rate. The rate will now reflect, in a more realistic manner, the prices of the products consumed by the lower income sector.

In this way it will be easier to readjust the prices of the products that were caught off balance [foram pegos no contrape] by the Cruzado Plan, such as milk, medicines, and even cars, without increasing the inflation rate. [end recording]

GOVERNMENT EXTENDS AREA OF TERRITORIAL WATERS

PY240400 Paris AFP in Spanish 1811 GMT 23 Oct 86

[Text] Santiago, 23 Oct (AFP) -- Effective today, Chile will exercise jurisdiction over a 24-mile area off its coast, according to what was established by a legal amendment approved by the Government (legislative) Junta.

At one time, this South American country controlled a 12-mile area, and claimed fishing and seabed exploitation rights over a 200-mile area off its continental coast. Chile claims exclusive rights for mineral prospecting on a 300-mile area of the sea floor around its Pascua and Sala-y-Gomez Islands in the southeastern Pacific Ocean.

The text of the amendment adopted today, which modifies articles of the Civil Code, establishes that a new 12-mile area will be added to the original 12-mile territorial sea. In this new area, to be called the adjacent sea, Chile will exercise jurisdiction to prevent and to sanction violations of its laws and regulations on customs, taxes, immigration, and health.

The amendment also adds that the sea area located between the 24-and 200-mile area will be called Exclusive Area for National Economic Prospecting and Exploitation of the sea waters, the seabed, and the seabed subsoil.

MERINO CRITICIZES UN SOUTH ATLANTIC RESOLUTION

PY291658 Paris AFP in Spanish 0102 GMT 29 Oct 86

[Text] Santiago, 28 Oct (AFP) -- Admiral Jose Toribio Merino, commander in chief of the Chilean Navy, has described as serious the UN decision to declare the South Atlantic a zone of peace because of the adverse consequences it could have on Western countries.

Merino, who is a member of the Government Junta, said that a similar decision was made in 1981 when the Soviet Union proposed that the Indian Ocean be declared a sea of peace. Merino said: The Russians are already in the Atlantic by virtue of a fishing pact, treaty, or agreement signed with Argentina. They are now fishing in a very controversial area for us because it is very difficult to establish dividing lines in the Atlantic and because they are fishing right across from us.

Merino reported that 81 Soviet and Polish ships were fishing this morning between La Serena and Talcahuano, 350 miles out at sea. Merino charged that it has now become very easy to introduce any amount of materiel into Chile through this practically open border.

He noted that a similar maneuver is now taking place in the South Atlantic. One must consider that at least 60 percent of the oil consumed in the world -- practically 90 percent of the oil needed by Europe and 40 percent of that used by the United Staes -- is shipped round Cape Horn and the Cape of Good Hope. Merino concluded by stating that the Soviets could again cause problems for Great Britain, the Netherlands, and France, [as received] by objecting to their facilities on the Falkland Islands.

VENEZUELAN AMBASSADOR ON BORDER COOPERATION

PA310237 Bogota Television Service in Spanish 0001 GMT 31 Oct 86

[Text] The news that Colombian guerrillas have been purchasing Venezuelan military weapons has created a crisis in the Venezuelan Government.

Caracas newspapers have reported on an investigation conducted by military intelligence. It has been found out that ELN has purchased arms and ammunition from officials of the Venezuelan military industry. So far, 18 people have been detained, including several officials of the Venezuelan Military Industries, Inc., Cavim.

Venezuelan Ambassador Luis Lacorte said that the investigation is being carried out by the military penal authorities in great secrecy. He also said that the two governments are making efforts to cope with the guerrillas' activities on the common border.

[Begin Lacorte recording] Regarding activity at the border, particularly in the Arauca area, there is constant communication between Venezuelan and Colombian authorities. This has permitted the Venezuelan authorities to successfully resolve some abductions that have occurred. In addition, some clashes have resulted in a number of dead. In this way, more information has been gathered regarding the investigation under way. [end recording]

CUBA DISCUSSES REESTABLISHMENT OF RELATIONS

PA301904 Bogota Television Service in Spanish 1730 GMT 30 Oct 86

[Text] A Cuban Foreign Ministry source has reported that Colombia and Cuba are holding meetings to discuss the reestablishment of diplomatic relations. According to the source, the meetings are being held in New York City. The source said that the fact that the two countries have not exchanged ambassadors does not affect the good relations between the two governments.

OFFICIALS ARREST MAN FOR U.S. EXTRADITION

PA292011 Bogota Television Service in Spanish 1730 GMT 29 Oct 86

[Excerpts] Following instructions by the Justice Ministry, members of the Administrative Department of Security, DAS, today arrested Javier Alvarez Alvarez in the City of Armenia. The United States requested his extradition on charges of money laudering. [passage omitted]

The arrest warrant was issued through Memorandum 24-26 of December 1984, Verbal Note No. 931 of the Ministry of Justice.

Courts Reject U.S. Requests

PA290232 Bogota Television Service in Spanish 0001 GMT 29 Oct 86

[Text] The Supreme Court of Justice today turned down the U.S. Government's request for the extradition of two Colombian citizens. The two citizens have been accused of drug trafficking by the U.S. Government. They are Alberto Silva and Carlos Pereira. The Supreme Court of Justice says that it has no information about their whereabouts because these two mean have not yet been arrested. Likewise, there is no information about them, and no charges have been presented against them.

GOVERNMENT OFFICIAL DENIES CONTRA AID SUPPORT

PA301847 Quito Voz de los Andes in Spanish 1130 GMT 30 Oct 86

[Text] THE MIAMI HERALD has said the governments of Honduras, El Salvador, and Guatemala; and members of rightist groups in Colombia, Venezuela, Ecuador, Brazil, Saudi Arabia, the ROK, and Taiwan have formed a network sponsored by the Reagan administration that has maintained arms supplies for the Nicaraguan contras during the last 2 and 1/2 years. THE MIAMI HERALD stated the Ecuadoran Government provided funds to finance top contra leaders' trips. In this regard, Marco Lara Guzman, the national secretary of public information, said:

[Begin recording] [Lara] The Ecuadoran Government absolutely and completely denies that report, regardless of where it originated. The U.S. newspaper cited in the report apparently furnished that information, and an international press agency apparently disseminated it.

In any case, regardless of the origin of those rumors, they will always remain mere rumors. I reiterate the Ecuadoran Government absolutely and categorically denies ever having given support to the so-called counterrevolutionaries who are struggling to attain a change of government in Nicaragua.

I want to point out that these rumors can or could be -- please notice that I am using the subjunctive tense -- could be part of an international discredit campaign organized by sectors aimed at specific countries that do not please them or fulfill their expectations. However, I cannot make any assertions until I have evidence.

[Reporter] What is the government going to do to prove those reports false?

[Lara] According to Ecuador's and to the world's legal system -- including that of the heart of Africa, where there are cannibals or where there used to be cannibals -- evidence must be presented by those who make the assertions. One does not have to prove one's innocence; the person making the charges has to prove that one is guilty, because otherwise everybody would be going around proving their innocence and that would create a crazy situation. Thus, those who are making the assertions have to prove their charges true. In addition, they have contradicted themselves: many sectors of the interested party [not further identified] consider the word Somozist a bad word; yet for this news report, that work was not a bad word because the information was released by a former Somozist diplomat -- the type of person who is sometimes regarded as an outcast, as a person who should not be believed except when it suits those parties' purposes, and this looks like one of those cases.

[Reporter] Mr Lara, is there not a precedent to the break of diplomatic relations with Nicaragua?

[Lara] The break in diplomatic relations with Nicaragua is merely that, the suspension of diplomatic ties. But that does not imply in any way support for the so-called contras, as the report says. The support for the contras involves the delivery of weapons, money, or other things and Ecuador has never done that. Ecuador broke diplomatic relations with Nicaragua because we considered it necessary to defend and maintain the respect that is owed us. [end recording]

ALFARO LIVES ANNOUNCES CREATION OF NEW COMMAND

PA301456 Paris AFP in Spanish 0418 GMT 30 Oct 86

[Excerpt] Quito, 29 Oct (AFP) -- In a clandestine [as received] communique issued in Quito today, the Ecuadoran Alfaro Lives (AVC) subversive group announced the creation of a new "command" called "1986 Alfarist Martyrs."

The new command condemned the "assassination" of top AVC leader Arturo Jarrin Jarrin on Sunday, expressed solidarity with his family, and reiterated its "unwavering decision to continue in the struggle until the victory of the Alfarist people."

The new "1986 Alfarist Martyrs" command is named in memory of Jarrin, his deputy commanders Hamet Vasconez and [name indistinct] Basantes, killed in September [words indistinct] the alfarists persecuted Basantes, killed in September [words indistinct] the Alfarists "persecuted, imprisoned, tortured, missing, and assassinated."

The communique is signed by the leaders of the new command, Emiliano Mendieta Flores, Felipe Rojas Galarza, and Isabel Marin Veliz, names that to date had been unknown.

Meanwhile, the "Hamet Vasconez" command has been peacefully occupying the San Vicente Church in Guayaquil since Monday. [passage omitted]

FINANCE, CREDIT MINISTER CORDOVEZ SWORN IN

PA310156 Quito Radio Quito in Spanish 2300 GMT 30 Oct 86

[Excerpt] A few minutes ago, Domingo Javier Cordovez Perez was sworn in as the new finance and credit minister. He is replacing economist Alberto Dahik who was dismissed by the National Congress after being censured. In his first remarks to the press as finance and credit minister, Domingo Javier Cordovez Perez thanked President Leon Febres Cordero for trusting him. He said he will manage the resources of the Ecuadoran people with justice and fairness. [passage omitted]

BRIEFS

DRUG AGREEMENT WITH PERU -- Quito, 30 Oct AFP -- Foreign ministry officials have reported that the Peruvian-Ecuadoran agreement against drug abuse and trafficking went into effect this week. The agreement was signed during Peruvian Foreign Minister Alan Wagner's official visit to Ecuador in October last year. Among other provisions, the agreement calls for joint operations on the borders between the two countries and for the appointment of an advisory commission that will recommend measures to control drug abuse and trafficking. [Summary] [Paris AFP in Spanish 0319 GMT 31 Oct 86 PA]

COMMUNIQUE REBUKES U.K., SUPPORTS ARGENTINA

PY310249 Paris AFP in Spanish 0219 GMT 31 Oct 86

[Text] Lima, 30 Oct (AFP) -- The Peruvian Government tonight extended its support for Argentina and emphasized that a harmful tendency toward the arms race, which is contrary to the region's peaceful intentions, could be the result of Great Britain's unilateral decision concerning the Malvinas Islands.

The Peruvian Government issued an official declaration stating its will to decisively contribute to overcome once and for all this problem, which affects Latin America as a whole.

"Peru acknowledges Argentina's sovereign rights over the Malvinas and deplores Great Britain's unilateral decision to establish a 200-mile fishing, preservation, and administration zone around the islands," the communique emphasized.

It also stated Great Britain's decision could have negative effects on the security of all the countries of the region and thwart the efforts of the Argentine Government to arrive at a peaceful solution to a conflict that requires the active solidarity of all Latin American countries.

The declaration conveys "the strong rejection of the Peruvian people and Government of any measure capable of hampering the peaceful solution of this conflict," and reaffirmed "the unwavering Peruvian-Argentine solidarity."

STATE OF EMERGENCY EXTENDED IN CALLAO, LIMA

PY301237 Lima Television Peruana in Spanish 0100 GMT 30 Oct 86

[Text] The state of emergency has been extended for another 60 days in the Callao and Lima provinces. However, the right of assembly has been fully restored and the right of movement partially reestablished to allow campaigning for the upcoming elections.

The Armed Forces will continue to guarantee internal order in these provinces, and the authorities of the prefectures will control the exercise of the right of assembly.

BRIEFS

DRUG TRADERS ARRESTED -- In an anti-drug operation, the Peruvian Investigative Police personnel arrested drug traffickers selling cocaine paste wrapped in chewing gum and candy bar papers in the districts of Brena, Jesus Maria, San Isidro, Magdalena, and other neighborhoods. The traders were identified as Victoria Jimenez Nunez, Laura Flores Loayza, Fernando Morales Cabreara, Jorge Bazan Rodriguez, Juan Moretti Gatulo, Carlos Galarza Bello, Juan Martinez Alvarado, and Jose Rivas Alban. They have been placed at the disposal of the provincial court. [Summary] [Lima EL COMERCIO in Spanish 10 Oct 86 p A-12 PY]

COMMUNIQUE REAFFIRMS SUPPORT FOR FALKLANDS

PY310202 Paris AFP in Spanish 0119 GMT 31 Oct 86

[Text] Montevideo, 30 Oct (AFP) -- The Uruguayan Government tonight warned against the "dangerous tensions" that could result from the British decision to establish a "fishing protection zone" around the Malvinas Islands.

The Uruguayan Foreign Ministry tonight issued a communique reiterating Uruguay's "traditional support for Argentina's claim of sovereignty over the Malvinas Islands and the adjacent territorial waters that belong to it in keeping with international law." This declaration was made public after Uruguayan Government sources announced that the Argentine, Brazilian, and Uruguayan foreign ministers will meet on Sunday, 2 November, in Punta del Este (140 km, east of Montevideo) "to examine the situation."

According to the Uruguayan Government, "only those who have legitimate sovereignty over a given territory can establish areas of maritime jurisdiction." The communique added that "any unilateral action under the present circumstances could only lead to dangerous tensions in the region to which Uruguay cannot remain indifferent." The communique said that these tensions "undermine the atmosphere of mutual trust which is needed to make a dialogue possible between the parties involved, a dialogue that our country has been insistently advocating."

The declaration emphasized the "firm decision" of the Uruguayan Government to "actively seek the strengthening of the South Atlantic's status as a zone of peace and cooperation in keeping with the spirit of a recent UN resolution" co-sponsored by Uruguay. The communique emphasized that "this cooperation should include the preservation of living resources in the area where the increase of certain fishing activities is endangering the species."

IGLESIAS RETURNS, CRITICIZES U.S. OIL TAX

PY300458 Paris AFP in Spanish 0022 GMT 29 Oct 86

[Text] MOntevideo, 29 Oct (AFP) -- Foreign Minister Enrique Iglesias said here today that the U.S. Government's decision to tax oil imports is certainly a departure from the GATT [General Agreement on Tariffs and Trade] principles. Iglesias returned to Montevideo this afternoon after opening the 8th round of multilateral GATT negotiations (Uruguay round of talks) in Geneva on 27 October. At the meeting, Iglesias was designated president of the Commercial Negotiations Committee. Iglesias said that the U.S. decision discriminates against imported oil and that for this reason Canada and Mexico raised the issue during the negotiations.

In Geneva on 27 October, other European, Asian, and Latin American countries supported the Canadian and Mexican claim, on the grounds that the United States has violated the spirit of the Uruguay round of talks even before the talks began. Iglesias said today that a control committee will have to analyze the issue with the parties involved and negotiate the lifting of the measure.

Iglesias reiterated that the Soviet presence at the GATT will be very significant because it will strengthen the organization and give universal character to it. He said the USSR will be informed of all the details of the talks. He added that a new GATT ministerial meeting will be held only if progress is made in the Geneva talks, stressing that he doubts such a meeting will take place before mid-1987.

DEPUTIES REPROVE U.S. GOVERNMENT PETROLEUM TAX

PA310326 Caracas Television Service in Spanish 0001 GMT 31 Oct 86

[Reported by Angel Bustamante; passages in quotation marks recorded]

[Text] [Bustamante] Venezuelan parliamentarians have proposed various resolutions to reject and protest a petroleum tax recently decreed by the U.S. Government. Besides the protests that should be made, Deputy Radames Larrazabel suggested measures such as doing without contracts on petroleum industry technology, not paying the debt, and establishing an ecological tax law on U.S. revenues in Venezuela.

Deputy Celestino Armas said neither the government nor the Congress have been left out of the debate in this regard generated in the United States. He said 40 percent of the petroleum consumed there, that is, 16 million barrels, come from internal sources.

He pointed out the executive's protest against the new tax was correct and timely. On behalf of Democratic Action, he proposed an agreement to protest against such a tax, express disagreement for the unfair treatment of imported petroleum, and urge other petroleum producers to coordinate efforts to face U.S. protectionism.

[Armas] "We believe this policy of imposing taxes on raw materials needed by the United States to grow and ensure comfort does not lead to a stable trade relationship."

[Bustamante] On behalf of COPEI [Social Christian Party], Leonardo Montiel Ortega made some suggestions regarding the tax. He supported the resolution presented by Democratic Action:

[Montiel] "The resolution will be unanimously approved. My proposal to study this new tax affecting Venezuelan petroleum investments in the United Statees will also be debated."

[Bustamante] Radames Larrazabal of the Communist Party of Venezuela pointed out his party supports the resolution to reject and condemn a tax that hurts Venezuela:

[Larrazabal] "It also hurts the country's sovereignty; it is an insolent economic aggression that should be countered with other kinds of measures I proposed during this debate."

[Bustamante] Parliamentarians Pompeyo Marquez, Jose Antonio Martinez, (Reinaldo Chervini), and Moises Moleiro also commented on the issue during the debate. The resolution presented for the consideration of the chambers by the Democratic Action faction will be voted on and approved next Tuesday.

U.S. DRUG TRAFFICKING LAW DRAWS PROTEST NOTE

FL301452 Mexico City NOTIMEX in Spanish 0340 GMT 30 Oct 86

[Text] Mexico City, 29 Oct, (NOTIMEX) -- The Foreign Secretariat has announced that the Mexican Government today formally protested to the U.S. State Department for using pressure tactics against Mexico based on inexact statements, in the sense that Mexico does not observe its cooperation commitments in the struggle against drug trafficking.

In the document presented by the Mexican ambassador to Washington, the Mexican Government insists that one should not lose sight of the fact that actions aimed at combating the complex drug trafficking problem in Mexico are Mexico's responsibility.

In the protest, Mexico expresses its bewilderment at the inclusion of provisions that affect Mexican interests in the narcotics control law signed by the U.S. Congress on 18 October and signed yesterday by President Ronald Reagan.

The Mexican Embassy, the note says, considers referent provisions evidence of an unfriendly attitude which explicably ignores reality.

The note adds that the Mexican Government has repeatedly and promptly informed U.S. congressmen and officials about diverse actions taken in Mexico, which are included in the referent law as if they had emanated from the country's congress.

Information on the investigation and criminal processes against those responsible for the deaths of DEA agent Enrique Camarena and the pilot Zavala and alleged abuses of authority against Victor Cortes has been made public, the note continues.

The [U.S.] Congress' attitude in the referent law is surprising since it chooses to ignore differences between the U.S. and Mexican judicial systems, each derived from different judicial traditions, which have been explained by Mexican officials to U.S. officials, the communique says.

The note adds that Mexico has repeatedly demonstrated in international forums that it efficiently utilizes all available resources to combat drug trafficking and the violence that this illegal activity generates, not only on the border, but throughout the national territory.

It is a source of concern to note, the document says, that while Mexico has promoted bilateral dialogue with the United States and multilateral dialogue with area countries in the search for solutions to the drug trafficking problem, the referent law contains threats in that it warns U.S. tourists about traveling to Mexico, denies favorable tax treatment to Mexican export products, restricts future appointments of the stabilization fund, and hints possible abstention from voting in favor of Mexican credit requests from multilateral development banks.

COMMERCE SECRETARY CRITICIZES U.S. OIL TAX

PA282059 Mexico City UNOMASUNO 26 Oct 86 p 13

[By Ruben Vasquez P.]

[Text] Commerce and Industrial Development Secretary Hector Hernandez Cervantes has said that the U.S. oil tax on Mexican crude will not stop the country's economic growth, adding that what is important about the tax is "its discriminatory nature."

Hernandez Cervantes, who was upset by reporters' questions, conceded that the tax will decrease foreign earnings from the sale of oil. He said that the Mexican Government is waiting for a reply from the United States to the protest lodged against the tax, which he labeled a unilateral action.

Interviewed at Mexico City's airport, Hernandez Cervantes denied that there was any evidence of breakdown in the GATT concerning the U.S. tax on oil imports.

"The GATT remains inalterable. The enforcement of its regulations has not been affected. One of its functions is precisely to serve as a forum to discuss measures of this kind that obviously contradict the recent agreements made in Punta del Este," the official explained.

He added that the U.S. tax on Mexican oil is "insignificant" to consider it discriminatory freezing as it was established, 11 percent compared to 8 percent for U.S. producers, and that "the principle is what should be questioned." [sentence as published]

Hernandez Cervantes conceded that any tax on Mexican oil exports affects foreign currency income, which is already minimal, he said, due to the depressed international oil market.

The commerce secretary was returning from a visit to Sweden, Denmark, Finland, and the USSR, where he discussed increased trade at the biannual meetings of the joint commissions with those countries.

Disgusted, Hernandez Cervantes got up from his chair, slammed his hand on the table, and walked out, leaving the reporters openmouthed.

PAPER VIEWS 'UNJUST' U.S. MIGRANT WORKERS' LAW

PA280420 Mexico City EL NACIONAL in Spanish 24 Oct 86 p 11

[Editorial: "An Unjust Law"]

[Text] The relations between the Governments of Mexico and the United States are characterized by a climate of dialogue and mutual respect. Evidence of this are the various meetings that President Miguel de la Madrid Hurtado and U.S. President Ronald Reagan have held. The governments of the two nations firmly believe that common problems will be solved only through a conciliation of interests by means of diplomatic negotiation.

However, the U.S. Congress seems to be unfamiliar with the recent history of the relationship between Mexico and the United States. Clear evidence of this would be the recent approval of the Simpson-Rodino Law, which affects the human and labor rights of Mexican undocumented migrant workers in U.S. territory.

Both the law and international practice indicate that migration is an international problem and that, therefore, the solution will be agreed upon among the states involved, never unilaterally. However, the latter is what the U.S. legislators are trying to do.

Therefore, nothing could be more just than the national deputies' demand that the Mexican migrant workers' rights be respected and their condemnation of the U.S. legislators for their action.

The same applies to the positive statements made by Eduardo Pesqueira Olea, head of the Secretariat of Agriculture and Water Resources (SARH), who has stressed the federal government's intention to take maximum advantage of the migrant workers' valuable work.

"There is no reason for us to become frightened," the official said in San Luis Potosi, adding that "in addition to being valuable, Mexican peasant labor is cheap."

According to Pesqueira Olea's statement, the migrant workers will be welcome. What is also true is that the U.S. stance opposed to dialogue and diplomacy concerning an issue that neither can nor should be resolved unilaterally will also become clear.

CANADA INTERESTED IN SKILLED MIGRANT WORKERS

FL300320 Mexico City NOTIMEX in Spanish 0220 GMT 30 Oct 86

[Excerpt] Mexico City, 29 Oct, (NOTIMEX) -- During a working meeting with his Mexican counterpart Eduardo Pesqueira Olea, Canadian Agriculture Minister John Wise has asserted that Canada is interested in skilled Mexican migrant workers.

During the meeting, the Canadian Agriculture Minister said that the GATT membership places Mexico at the level of partners and added: I hope that instructions are given through the foreign secretaries of the two countries which will benefit the development of agriculture in Mexico and Canada. [passage omitted]

DE LA MADRID SUPPORTS ALFONSIN ON FALKLANDS

PA310423 Mexico City Red Nacional 13 Imevision Television in Spanish 0300 GMT 31 Oct 86

[Text] Today President Miguel de la Madrid telephoned Argentine President Raul Alfonsin regarding the South Atlantic conflict. De la Madrid reiterated Mexico's solidarity with Argentina and gave instructions to the Foreign Relations Secretariat to study possible strategies that Mexico can implement to support Argentina before international organizations.

IDB APPROVES $600 MILLION LOAN FOR 1987

FL281648 Mexico City NOTIMEX in Spanish 2004 GMT 28 Oct 86

[Excerpts] Mexico City, 27 Oct (NOTIMEX) -- Alejandro Escopelli, IDB director, announced today that the IDB will grant Mexico a $600 million loan for 1987 which will be independent of the renegotiated financial package with the international banks. [passage omitted]

Escopelli also said the new 1987 IDB loans are being granted independent of Mexico's political position since there is no preferential treatment based on [political] decisions. [passage omitted]

CUBAN INDUSTRY OFFICIAL DISCUSSES REGIONAL TRADE

FL280333 Mexico City NOTIMEX in Spanish 0200 GMT 25 Oct 86

[Text] Mexico City, 24 Oct (NOTIMEX) -- Cuban Light Industry Deputy Minister Caridad Abrante Hernandez has underscored the need for Latin American countries to unite for improved trade.

Interviewed at the Mexico City airport, Abrante, who arrived here to close a Cuban trade exposition and strengthen bilateral trade ties, said the lack of regional unity has stalled our country's development.

Arnoldo Rodriguez Campos, commercial attache to the Cuban Embassy in Mexico, reported that the trade balance between the two countries favors Mexico, which exports to Cuba some $85 million and imports only $6 million.

He also indicated that Latin American markets are strained as a result of the world crisis and only with a coordination of efforts will the region be able to achieve progress.

SALVADORAN ALIEN ARRESTS INCREASE SINCE QUAKE

FL300256 Mexico City NOTIMEX in Spanish 2249 GMT 29 Oct 86

[Text] Nogales, Mexico, 29 Oct, (NOTIMEX) -- The number of illegal Salvadoran aliens caught in the northern Mexican state of Sonora trying to enter the United States has increased by 25 percent as a result of the earthquakes that affected San Salvador. This has been reported by Carlos Aaron Kitazawa, local delegate from the Interior Secretariat's Immigration Services Office who said that immigration agents will increase their vigilance on roads and bus terminals.

He said the number of Salvadoran illegal aliens amounted to 10 percent but that percentage increased since 10 October when an earthquake rocked San Salvador.

In the eastern state of Veracruz, 200 illegal Central Americans have been detained in the last 9 months. Each week, some five Salvadorans or Guatemalans are caught and sent to the local Immigration Services Office in Veracruz and deported.

PAPER PRAISES U.S. AMBASSADOR'S STATEMENTS

PA301627 Panama City EXTRA in Spanish 30 Oct 86 p 4

["Mirrors of the Times" column by Jose M. Faundes]

[Text] Whenever a Panamanian or foreigner speaks of the country's situation, the immoralities, corruption, trafficking of weapons, disappearances, decapitations, etc... or of the biggest scandal of all, the May 1984 electoral fraud, those PRD gentlemen, accomplices of all those crimes -- Torrijistas, process supporters [procesalistas], PRD members, Noriega followers [Norieguistas], or whatever they wish to call themselves -- raise their voices in heated defense. What is even worse is that they get mad and call the person who made the statements a meddler, or say that he is interfering in our country's domestic affairs.

As far as those upsetters of the truth are concerned, no one under any circumstances must comment, criticize, condemn, or express an opinion regarding the unheard-of and unthinkable scandals that have crossed our borders and rocked the foundations of other peoples who can no longer tolerate more violations of the law and irresponsibilities.

They should love to see this free newspaper, LA PRENSA, and EL SIGLO disappear while they, the bad sons of our homeland, continue attacking us and enjoying the rights of lord and master they were given on that cursed October in 1968, when the dark days of our sovereign life began.

We knew, and we warned all those who heard our predictions, that during the week of 27 October, U.S. Ambassador Arthur Davis would be the victim of attacks and biting criticism because he dared to be honest during a dinner given by the American Chamber of Commerce on Thursday. At the dinner, and very openly, Ambassador Davis commented and suggested, just as he had done in Paraguay in face of the Stroessner dictatorship, what should be done to guide the country along the path toward democracy and how to end the ruling tyranny.

Today, this distinguished diplomat expressed feelings that have been expressed by our politicians, statesmen, and journalists. The ambassador has reiterated that the Panamanian soldiers should be at their headquarters performing the duties given them by the Constitution and not meddling in matters of which they have no knowledge and which they cannot handle properly; that the nation should be democratized; that the 1989 elections -- which we have rejected because we do not believe in them -- must be honest, fair, and clean; that the winner of the elections must be respected; and that there can be no manipulation or tricks.

Who disagrees with the ambassador's statements? Those who have made a living illegally, those who have stolen? No; those who have violated every human right and who are proud of their ill-gotten wealth. They do not want the country to be ruled by decent men. They, the ones who are incapable of ruling and who have done so inefficiently, wish to continue in power.

We congratulate Ambassador Davis for what he said. His statements do not constitute a meddling in our affairs.

COSTA RICA

ARIAS VOICES 'CONCERN' TO U.S. ON CONTRA AID

PA301458 San Jose Radio Reloj in Spanish 1200 GMT 30 Oct 86

[Text] President Arias has told a U.S. State Department official of his concern about the consequences of aid to the contras. In an unexpected meeting yesterday, President Oscar Arias expressed to the U.S. under secretary for political affairs his concern over the increase in military aid to the contras.

Michael H. Armacost, under secretary for political affairs, and Morton Abramowitz, assistant secretary for intelligence and research, are on a fact-finding tour of Central America. Armacost is the third most important official in the State Department.

Minister of the Presidency Rodrigo Arias said that Armacost was told in the meeting that the $100 million for the counterrevolutionaries will have negative effects in Costa Rica because there will be an increase in the number of refugees and because there might be a decrease in foreign investment and tourists. He said that in the meeting with Armacost, they did not speak about the possibility of having members of the contras train in Costa Rica because the U.S. authorities already know about Costa Rica's refusal to permit this.

GUATEMALA

ARMY SPOKESMAN VIEWS WAR IN REGION AS 'IMMINENT'

PA310001 Hamburg DPA in Spanish 2205 GMT 30 Oct 86

[Text] Guatemala City, 30 Oct (DPA) -- Navy Captain Juan Fernando Cifuentes, public relations director of the Guatemalan Army, today said: "The new shipment of Soviet war materiel to Nicaragua indicates war in the region is imminent." Cifuentes referred to the Soviet arms shipment delivered to Nicaragua recently, which included six MI-24 helicopters, regarded as "armored flying tanks."

According to the military spokesman, the recent Soviet military aid to Nicaragua "is in response to the $100 million that the U.S. Congress approved for the 'contras' who are trying to topple the Sandinist government."

Finally, Cifuentes said the arms delivered to Nicaragua "will not help the guerrillas operating in Guatemala because these weapons are of a different type and for a different purpose." In addition, the Army reported today that it has dismantled several caches of the guerrillas and that a guerrilla was killed during these operations. The caches were located on the slopes of the Tajumulco Volcano in San Marcos, a department in western Guatemala. The Army found arms, ammunition, uniforms, and other supplies.

In Nebaj, Quiche Department, also in western Guatemala, a military patrol clashed with a guerrilla group and killed one of them.

CEREZO WILLING TO VIEW GUERRILLA DIALOGUE OFFER

PA310258 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 31 Oct 86

[Text] The Guatemalan Government headed by Vinicio Cerezo Arevalo could send a delegate to hear the guerrillas' proposals regarding a dialogue.

In a press communique, the president reported he has not received a formal proposal by the guerrillas for a dialogue to strengthen the democratic process. The government delegate's main objective would be to assess the seriousness of the guerrillas' proposal to consider it.

President Cerezo is willing to talk with all national sectors regardless of their ideologies or creeds to consolidate democracy, pluralism, and peace. He reiterated his remarks to the European press and has not changed his stance in case the guerrillas make a formal proposal for a dialogue. Prior to this dialogue, however, the proposal will be considered carefully, because the URNG [Guatemalan National Revolutionary Unity] is an outlawed group.

URNG Proposal Divides Parties

PA310025 Panama City ACAN in Spanish 2032 GMT 30 Oct 86

[Text] Guatemala City, 30 Oct (ACAN-EFE) -- The dialogue proposal from the Guatemalan guerrillas to President Vinicio Cerezo's government has divided the main parties, some of which consider the proposal to be beneficial while others say it is a "hoax."

The guerrillas' dialogue proposal was issued through an open letter to President Cerezo, but sources from the presidency of the Republic denied the letter has been delivered to the president, even though they did not deny its existence.

The URNG's document asks the government for a meeting at the highest level between the guerrilla organization and the government to establish the date, agenda, and place for the dialogue.

Several Guatemalan deputies were interviewed to learn their views about the dialogue proposal, which would be guaranteed by Spain, the FRG, France, Belgium, and Italy, according to the URNG.

Deputy Hector Vasquez, of the Socialist Democratic Party (PSD), said: "Given the country's current situation and the fact we have begun a democratization process, I believe the dialogue with the guerrillas would be beneficial." The PSD legislator added: "People understand each other better through a dialogue, and Guatemala would benefit from one if it is ever held because the differences between one group and the other would then be understood." Vasquez believes "Guatemalans cannot possibly continue to fight; it is time to take into consideration the thousands of dead that the armed conflict has left in the country ."

Deputy Oscar Rivas, secretary general of the extreme right Democratic Institutional Party (PID), said: "The dialogue between Cerezo's government and the guerrillas would never take place because there are differences as in El Salvador." "We Guatemalans should not deceive ourselves because the guerrillas' goal in Guatemala, as in other countries of the world, particularly in central America, is to take over power by force." The anti-communist parliamentary member thinks "the dialogue with the guerrillas would prove dangerous for Guatemalans because the former are mercenaries with foreign policies who are trying to implement a system which is alien to our life-style."

Deputy Arturo Ortiz, of the Union of the National Center (UCN) Party, the second political force in the country, said: "If they (the guerrillas) propose a dialogue, President Cerezo should listen to them."

"I think the civilized way to resolve our problems is through a dialogue; furthermore, the Christian Democratic Party has based its propaganda on national reconciliation," Ortiz asserted.

Christian Democratic legislator Jorge Archila, who said the guerrilla members were "patriots," stated: "The truth is that we could never oppose the dialogue proposal."

Ortiz said it is necessary to attain a consensus "which helps to stabilize the country's democracy, because we all want peace."

HONDURAS

AZCONA STRESSES DEMOCRATIZATION IN NICARAGUA

PA310306 Tegucigalpa EL HERALDO in Spanish 30 Oct 86 p 5

[Excerpts] As was the case at the last workers' congress, President Jose Azcona Hoyo had to deliver an impromptu speech last night to the delegates of the General Central Organization of Workers, CGT, who were holding their ninth congress in the halls of the Manuel Bonilla Theater in Tegucigalpa. The reason was obvious: the labor leaders were presenting demands to him and he had to give an immediate response to their concerns.

He said that after hearing the speeches delivered by the peasant and labor leaders, he was reiterating he will never hide and will remain willing to discuss any issue brought to him. [passage omitted]

"Concerning the area of foreign policy," he said,, "I regret to say there is a discrepancy because 90 percent of Hondurans support the government's efforts. Besides, we are not to blame for the fact that Nicaragua has been subjected to a dictatorship for 45 years and is now under another one, perhaps even crueler."

"We are not going to pay for that situation. That is why, as Hondurans and as president of a democratic country, we have the right to ask that Nicaragua be democratized, so the effects of the pressures in that country won't extend to us. We do not want bloodshed in any country, but we have the right to live in peace, to work, and not to have any government subvert our order," the president maintained.

Finally, Azcona Hoyo reiterated it would not be advisable to change his cabinet at this point, explaining that "the president is making his ministers work."

Lopez on Contras, Plane Deal

PA301233 Tegucigalpa LA TRIBUNA in Spanish 29 Oct 86 p 9

[Text] In view of persistent reports that Honduras has agreed to let anti-Sandinist "contras" train in the El Cisne and El Tigre Islands, Honduran Foreign Minister Carlos Lopez Contreras categorically denied "those rumors because they are totally false."

Quite the contrary, he stated, the Honduran Government's official stance regarding the conflict, which is now beginning and may intensify between the forces opposing the revolution and the Nicaraguan Government, is that it will do its best to stay on the sidelines.

The foreign minister explained that the El Cisne Islands are under Honduras' control, jurisdiction, and sovereignty; but that Meanguera Island is a disputed territory, and El Salvador and Honduras are bound to maintain the status quo existing before 1969.

When it was pointed out to him Honduran territory in the border area with Nicaragua is being used -- as the region's coffee growers have charged -- Lopez Contreras said the possibility could not be ruled out but that it is not part of the official stance of the Government.

Airplane Fleet [subhead]

Concerning Honduras' purchase of a small fleet of airplanes from Isreal, the official noted that for many years the government has been studying the steps it should take to keep its air strength up to date.

In this respect, he added, this is not something new but rather something that has been under study for many years. He also said that eventually the purchase will be made; "however, I do know that this is part of the Honduran Armed Forces program to have a minimum ability to defend the country, especially in view of the military development of neighboring countries."

He then explained the purpose of President Jose Azcona Hoyo's visit to Israel is not related to this matter. Instead, the visit is seeking greater rapprochement with that country within the framework of overall cooperation and cooperation for development and in technical matters.

Orbin Opposes Contra Motion

PA301633 Tegucigalpa Televisora Hondurena in Spanish 0100 GMT 30 Oct 86

[Text] The motion introduced by Deputy Nicolas Cruz Torres has caused great commotion. Opposing views condemn and support National Party Deputy Cruz Torres for requesting the explusion of the Nicaraguan contras from Honduras. The opposing views show the controversial nature of this issue.

Carlos Orbin Montoya, president of the National Congress, said Cruz Torres' request for the expulsion of the contras just helps the Marxist-Leninist government of Nicaragua:

[Begin recording] I think these motions just seek to create a commotion. Rather than being carefully thought out and studied, these motions help justify the Sandinist government's constant aggressions against the country and its attitude of appearing as a martyr before the rest of the world. There has been a negative reaction from all deputies. We believe it is difficult coexisting with a Marxist regime, having such a large common border with it, and being victims of this situation. There are more than 100,000 Nicaraguan refugees in Honduras. Nevertheless, we do everythings possible to guarantee the Hondurans their democratic system and guarantee sovereignty over all our territory. [end recording]

NICARAGUA

'DOCUMENTARY EVIDENCE' DESCRIBES HASENFUS LINKS

PA302008 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 30 Oct 86

[Text] The Attorney General's Office today introduced evidence against U.S. military adviser Eugene Hasenfus, who has confessed to having links with the U.S. Central Intelligence Agency.

Ivan Villavicencio, representative of the Nicaraguan Ministry of Justice, submitted to the court as documentary evidence more than 100 papers found in the aircraft that was downed in Tule. The papers establish links between the two U.S. nationals found dead on board and the CIA. The Attorney General's Office will be able to make use of any other type of evidence it deems pertinent, respecting the time limitations established by law.

Code names for aircraft, crews, and the U.S., Salvadoran, Costa Rican, and Honduran Governments were introduced.

[Begin Villavicencio recording] We also [words indistinct] codes to identify names of places, people, and airports. For example: The U.S. Government goes by the code word "playboy." [preceding word in English] Washington, D.C. [preceding initials in English] is designated "top floor" [preceding words in English]; Ilopango is "island" [preceding words in English]; the Salvadoran Government is "new look." There are codes for military supplies. For example, rifles are "apples" [preceding word in English], and explosives are "pears." [end recording]

There are also press reports that show the involvement of the U.S. Government in the aggression.

[Begin Villavicencio recording] News dispatches received in Nicaragua from various news agencies, including ACAN-EFE, UNITED PRESS [INTERNATIONAL] and AFP, report on the contacts between U.S. Vice President Bush and Max Gomez, who was one of Hasenfus' bosses. Those cables also note Reagan's support for the counterrevolution. There are also remarks by Elliott Abrams, assistant secretary of state for inter-American affairs, who described the crew of the downed plane in which Hasenfus was traveling, as heroes. [end recording]

The Attorney General's Office has requested that Lieutenant Colonel Robert Calderon be called in as witness, as well as the soldiers who captured Hasenfus. It also requested an on-site, notarized inspection of the weapons and the wreckage of the aircraft.

EDITORIAL BERATES REAGAN COMMITTEE ON 'OPEN WAR'

PA301316 Managua BARRICADA in Spanish 29 Oct 86 p 3

[Editorial: "Reagan Makes the War on Nicaragua Official"]

[Text] Ronald Reagan is destined to become the most cynical president in U.S. history. He has earned this reputation from his policy in Central America, particularly in Nicaragua. Now, after stating the United States is not responsible for the war against Nicaragua, the U.S. press itself has taken the lid off the pot and has explicitly shown how a committee that will lead the open war against our people has been organized.

This committee, which is headed by Elliot Abrams, includes the CIA, the U.S. Security Council, the Pentagon, the White House, and the State Department. What is its objective? None other than to take the war in its own hands because the mercenaries are uncapable of waging it by themselves.

The Pentagon will conduct the war through U.S. advisers, the green berets. They will not only train the mercenaries in U.S. territory, according to THE WASHINGTON POST, but they will also be responsible for preparing the tactical plans of the armed mercenaries with surface-to-air missiles and modern artillery in a useless effort to revert the strategic defeats inflicted by the Nicaraguan people's weapons.

The political side of the war will be directed by the White House and the State Department, which will use all their power and influence to remove the mercenaries from their deep isolation. Because the news media is a powerful element of the war, Washington is determined to install a powerful radio station in the Swan Islands, the same kind they used during the invasion in the Bay of Pigs, Cuba to direct the attacks of the Cuban worms against the revolution of our sister island. To be more effective, the contras' radio station will be supervised by the director of "Radio Marti," the CIA radio station beamed to Cuba.

This is an open plan, without secrets, and U.S. publications insist that this is the first time Reagan's government does not beat around the bush. The U.S. Government is acting illegallly by starting a war -- which is undeclared, according to interntional norms, but which is made official when President Reagan signs documents, appoints representatives, and even decides to supply our enemies.

Actually, the only thing missing is a formal declaration of war, which could take place if the U.S. allies in Central America break relations with Nicaragua, obeying orders from Washington. This would prepare the groundwork for a greater involvement of the yankee puppets in the war against our country.

However, while this is going on in Tegucigalpa and Washington, capitals of the same policy, we will finish preparing the reserve battalions, which along with the regular army will become the barrier where the ambitions of humanity's enemies will be smashed.

MINISTER RUIZ WANTS 'SETTLEMENT' WITH U.S.

LD300322 Budapest Domestic Service in Hungarian 2120 GMT 29 Oct 86

[Interview with Commander Henry Ruiz, Nicaraguan minister of foreign cooperation, by reporter Agnes Koruncz on the "Ten Minutes of Foreign Policy" program; Ruiz answers in Spanish with superimposed translation; date and place not given -- live or recorded]

[Text] [Koruncz] A few days ago, Commander Henry Ruiz, Nicaraguan minister of foreign cooperation, visited Budapest, participating in the founding session of the Hungarian-Nicaraguan Economic cooperation committee and in the third session of the CEMA-Nicaragua committee. The commander is a member of the leadership of the Sandinist National Liberation Front. The front will celebrate the 25th Anniversary of its establishment within the next few days. My first question relates to the anniversary as well. Carlos Fonseca, founder of the Sandinist front, in the years of the struggle against the Somoza dictatorship defined the role of the front as having to be simultaneously a vanguard as well as a national movement. In what way does this role prevail today?

[Ruiz] This is a scientific and revolutionary definition. The front has always considered itself to be a vanguard; it was forced to do so by the armed struggle. The front has never been purely worker, peasant, or small bourgeois in character; it has always attracted the best of society. During the struggle, our organization has acquired greater and greater political and ideological hegemony. The sandinist front is the same today, as well. On occasion, in the course of becoming a party, there is a need for an identity of views, for ideological unity We cannot be a pluralistic party; we cannot question the aims, direction of our historic program, but as a party in office we have close relations with the people. This then means we recognize the economic interest of the various social strata as well as their views formed about history. The element that must unite everyone in Nicaragua today is as follows: the national, popular, anti-imperialist, and national independent character of the revolution. From this point of view, the front is a vanguard. We intend to represent a people's democracy while maintaining Sandinist hegemony. Were we not to do this, we would become an elitist party.

[Koruncz] The Sandinist Front has always paid particular attention to relations with other political forces and cooperation with them. Under the present difficult circumstances, how does this policy prevail?

[Ruiz] The struggle is becoming a radicalized and polarized. The defense of the nation is at risk. An opinion different from ours does not bother us; what worries us is if a Nicaraguan agrees with the aggression directed against the country. this is a fundamental issue. Our constitution currently being prepared also lays down the various economic, political, and ideological interests, as well as the mixed economy, pluralism, respect for the faithful and the agnostic and the political principles of sovereignty, national independence, and nonalignment. During the preparation and debate of the constitution, seven political parties represented in the Nicaraguan National Assembly take part.

[[Koruncz] After the overthrow of the Somoza dictatorship, the Sandinist government announced several economic programs. What has materialized from these plans?

[Ruiz] The aim of our first plan was to put the economy on its feet; the second objective was entitled thriftiness and efficiency. We worked with annual plans. Until the end of 1983, things went well. After the end of 1983, the number of mercenary attacks against economic plants and schools multiplied and we have increased our military efforts five fold. We spend our resources on organizing the army; this would have happened in any case, but not at such a strained rate. It is, therefore, understandable that since 1983, our national gross production has been continuously declining.

[Koruncz] Amid these difficulties, can there be no fatigue, dissappointment observed among the people?

[Ruiz] The people looked forward to the revolution with great expectation, but reality has turned out differently. I think in this case, we are the ones who are responsible; we had spoken about a land of milk and honey, which was to have been built in a short time, and we ignored the fact that conditions were not yet right. We have had to admit in a self-critical way the matter is not as simple as that, because it dissatisfaction can be observed among the masses, then the cause can be traced to the irresponsibility of the government organs, the nonutilization of means, squandering, and bureaucracy.

We must also speak about military service. The head of a family in Nicaragua maintains, on average, the benefit of four people, losing him presents the family with a great gap. Despite this, there is an oversubscription for military service.

[Koruncz] Are concrete economic plans in operation for the alleviation of the situation?

[Ruiz] Investments are taking place; we are building ports, for example, on the Atlantic shore; the thermal power station at Mamotombo is being built. As a result of the meager resources and the distorting effect of the war, our economic plans are limited. We are fully aware our economy cannot become stable as long as aggression continues against Nicaragua. I will give you a few examples. The sum of war damage is reaching $1.3 billion, and presently we will spend 50 percent of the budget on military objectives. The latter consumes 40 percent of industrial production and 20 percent of the active population participates in military activity.

The direction of the U.S. strategy is clear: the exhaustion of the Nicaraguan economy. The illusion of a short-term war has gone. We calculate that with the weakening of the economy, the social basis of the Sandinist Front also will become shaky and as a result of the social dissatisfaction, a different tune can be played.

[Koruncz] The trial of the pilot of the shot-down U.S. plane is taking place currently in Nicaragua. It was shot down in Nicaraguan airspace. The role of the United States in supporting the Nicaraguan counterrevolutionaries is becoming more and more clear. Is this event a new phase in the war against Nicaragua?

[Ruiz] This new phase has been going on for a good deal of time, let us say, since the mining of our ports. They have threatened us with the employment of other means, as well; it has not taken place but it is a fact the U.S. President, the Congress, and the Senate have declared war on Nicaragua under the aegis of the limited conflict doctrine. The approval of the $100 million in aid to the contras means aggression has been adopted as law.

[Koruncz] What kind of solution do you see regarding this situation?

[Ruiz] We are seeking a negotiated settlement. We have expounded this in the United Nations as well as in The Hague International Court. However, we do not allow any infringement of our independence just because President Reagan does not like a country with a democratic system like Nicaragua's. We support the peaceful coexistence of countries with different social systems. We are ready to cooperate with our neighbors in Latin America and the United States. Those slanders, according to which Nicaragua is endangering the security of the United States, are ludicrous; Washington does everything to justify a possible aggression to world public opinion. These forces, however, must take one thing into account: that we beat back the attack. These are not empty words; we do not want to aggravate the conflict persisting vis-a-vis the United States; we do not want to cause pain either to Nicaragua or to the other Central American countries and therefore, we would like a negotiated settlement between the United States and Nicaragua.

Reports on Visit to Hungary

PA300151 Managua BARRICADA in Spanish 29 Oct 86 p 2

[Text] Henry Ruiz, commander of the revolution and minister for foreign cooperation, reported upon returning to the country: "The objectives of our mission to Hungary were: install the Hungarian-Nicaraguan intergovernmental mixed commission, sign several protocols, and analyze the obstacles in the way of better relations between CEMA and our country."

Regarding the topics discussed at the intergovernmental commission, Ruiz said a protocol was signed for the disbursement of a credit in the coming months, the creation of a trade fund, technical assistance from Hungary, and material aid for the FSLN.

The minister said his Hungarian counterpart expressed concern over Nicaragua's political situation and reiterated the Hungarian people, government, and party's solidarity with and support for the Sandinist people's revolution.

He added the Nicaraguan delegation also met with the president of the Council of Ministers, who reported on the result of the congress of the Hungarian Socialist Workers' Party.

Ruiz pointed out: "In the meeting of the CEMA-Nicaragua mixed commission, we considered solutions for the Nicaraguan economic problems, revision of investments in our country, various CEMA financial projects, and setting up a soft fund to generate the money that will serve as collateral for the Cebaco agricultural and livestock project, as well as for the Aguan deep-water project."

Other points considered by the CEMA-Nicaraguan mixed commission were: the implementation of mechanisms to settle the problem of transport of Nicaraguan exports and imports; technical assistance from the GDR, which will send 20 specialists soon; this country's financing of a preliminary study to improve transportation; creation of mass study centers financed by CEMA member countries for SMP [Military Patriotic Service] demobilized young men; and the arrival in Nicaragua of a Czechoslovakian technical delegation to conclude details of that country's participation in a textile project to be set up in Esteli.

Commander Ruiz reported the 4th CEMA meeting will be held in Managua in October 1987. He said: "CEMA views us as adults, able to resolve our problems. The CEMA-Nicaragua mixed commission is a prototype for other countries such as Madagascar."

The Nicaraguan delegation which traveled to Hungary was headed by Commander Ruiz and included Jose Buitrago, deputy minister for foreign cooperation; Maria Aguero, CEMA general director in Nicaragua; John Jovane, assistant to the minister; Daniel Fajardo, deputy minister for industry; Jacinto Guzman, deputy minister for the CNES [National Council of Higher Education]; Roberto Borge, foreign cooperation official and Manuel Coronel Kautz, deputy minister of Midinra [Ministry of Agricultural-Livestock Development and Agrarian Reform].

The delegation was received at the airport by Hungarian Ambassador Istvan Soos and Cesar Arostegui, deputy minister for foreign cooperation.

MINISTER PROTESTS HONDURAN BORDER ATTACKS

PA302016 Managua BARRICADA in Spanish 29 Oct 86 p 5

[Protest note sent by Nicaraguan Acting Foreign Minister Victor Hugo Tinoco to the Honduran Foreign Minister on 28 October]

[Text] Managua, 28 October 1986

Mr Minister:

I address Your Excellency to inform you of the following:

At approximately 2000 on 22 October 1986, Honduran Army troops attacked Nicaraguan positions near the Teotecacinte sector, firing 14 times with LAW rockets and 50 caliber machineguns.

Between 1919 and 1942 on 23 October, Honduran Army troops attacked the Las Manos border checkpoint with rifle fire, machineguns, RPG-2 rocket launchers, and M-79 grenade launchers; which fortunately did not cause any casualties.

Once more, the Nicaraguan Government finds itself having to protest energetically and formally to the Honduran Government over these two new incidents of provocation that work to the detriment of our country and violate obligations of the Republic of Honduras.

The constant repetition of these armed attacks against Nicaraguan territory by the Honduran Army is one of the factors that worsen the situation between the two countries and the Central American region. For this reason, the Nicaraguan Government today reiterates its request that Honduran authorities cease and abstain from these actions that violate international law, which only serve to increase tension and run a greater risk of generalizing the area's conflict.

I reiterate my highest esteem.

Victor Hugo Tinoco

Acting Foreign Minister.

U.S. DRUG LAW SEEN AS BORDER 'MILITARIZATION'

PA301638 Havana International Service in Spanish 2300 GMT 29 Oct 86

[Report by correspondent Francisco Ramirez from Mexico City]

[Text] The new U.S. antinarcotics law approved by President Ronald Reagan will bring about an accelerated militarization of the border with Mexico and make more acute the already serious bilateral problems, observers in the Mexican capital have predicted.

The antidrug legislation issued by the U.S. Government will transform the 3,000-km border with Mexico into a vast center of strict air and electronic surveillance with the pretext of stopping drug traffic across the border.

With a budget of $1.7 billion for that purpose, the U.S. Government will send to the Mexican border modern radar equipment, special aircraft to pursue and capture planes suspected of transporting narcotics, helicopters, and a beefed-up group of antidrug agents. The Reagan administration claims that large volumes of marijuana, heroin, and cocaine enter the United States from Mexico. Therefore, an important part of the efforts in the new law will be geared toward stopping that illegal traffic.

The new law has been described by skeptics as a mere offshoot of the antidrug frenzy that characterizes this election year. However, its passage reflects a concern over the growing use of drugs in U.S. society.

The hostility toward Mexico is clearly manifested in a document entitled: The Sentiment of the Congress, included in the new antinarcotics law. In this document, senators state that Mexico has fallen short of its responsibilities in the struggle against drug traffic, and propose economic sanctions against that country. However, the Mexican authorities believe differently. They have said that the United States is the principal market for drugs -- not only from Mexico, but from other nations -- and that this kind of activity cannot be eradicated simply through policing measures that are generally unilateral and affect Mexican interests.

HAVANA RADIO VIEWS UN SOUTH ATLANTIC RESOLUTION

PA301255 Havana International Service in Spanish 2300 GMT 24 Oct 86

["Our America" commentary read by Manolo Ortega]

[Text] With an overwhelming majority -- 124 votes in favor and 1 against -- the UN General Assembly has approved an important resolution, which, if scrupulously respected, will substantially contribute to the maintenance of peace in the South Atlantic Ocean. In declaring the waterway between Africa and South America a peace zone, the leading international organization was very clearly stating mankind's desire to check the arms race and gradually eliminate the areas of tension in the world.

For the United States, which cast the sole vote against the resolution, the document represents an obstacle to its plans to extend its naval presence, which even involves nuclear weapons, to all latitudes. The hypothetical aim would be to achieve military supremacy over the Soviet Union.

During the dictatorships in Argentina and Brazil, Washington encouraged those regimes to form an alliance with Augusto Pinochet's tyranny in Chile and the apartheid system in South Africa to create a spearhead for its hegemonic interests in the South Atlantic area. There was talk at that time about the imminent foundation of the South Atlantic Treaty Organization, SATO. The return to democracy in Argentina and Brazil, the international isolation of South Africa and Chile, and the teachings derived from the Malvinas war were reasons of vital importance for pushing SATO aside, despite White House efforts to revive it.

The document approved at the United Nations is of singular importance because it was inspired by Brazil and subsequently endorsed by Uruguay, Argentina, and several African countries -- evidence of peaceful aspirations of the states with coasts in the South Atlantic Ocean. The UN resolution also calls for greater regional cooperation, especially concerning economic and social development and (?security); and urges the governments of militarily important countries to respect the area in question as a peace zone.

This is an obstacle to U.S. hegemonic aspirations and those of its associate, Greek Britain, which is again occupying the territory of Malvinas after a rapacious war against Argentina during which only force tilted the scales in favor of London.

Other undoubtedly relevant points in the motion are the appeals for eliminating tension in the South Atlantic region and for respect of political independence, as well as the reassertion that it is essential to eliminate racial segregation in South Africa and achieve self-determination in Namibia, now illegally occupied by Pieter Botha's regime.

Documents like the one approved at the United Nations are needed so that mankind can have faith in the future. Now it only remains for it to be scrupulously fulfilled.

FMLN-FDR ON QUAKE AID, 'GENOCIDE' ALERT

PA300449 Havana International Service in Spanish 2300 GMT 29 Oct 86

[Text] The procedures adopted by the Salvadoran regime after the earthquake which hit El Salvador have undoubtedly worsened the deteriorated economic, political, and social situation being withstood by that Central American nation. Given the imminence of increased repression, the FMLN-FDR issued a declaration, which will be read by Carlos Leon. He is member of the fronts' representation in Cuba:

[Begin Leon recording] Our fronts are issuing an alert to the international community because the Salvadoran Government is preparing a new genocide against our people, using the emergency laws relating to the earthquake as an excuse. It has already begun selective repression against popular organizations' leaders; established military controls over the areas where the victims are located; and, given the fear of a social uprisal in the short or middle term, is already preparing large-scale measures for our people's repression.

Therefore, we are alerting the international community to exert pressure on the Salvadoran Government and the Reagan administration, and thus prevent a massacre in our country. We also urge the international community to send moral and material aid to our people -- preferably through non-government channels, specifically through the church or related organizations -- because the aid being sent through the government has been turned over to the military and private sectors to increase their fortunes. The aid is never received by those who really need it -- our long-suffering people. [end recording]

RISQUET MEETS WITH ANC'S TAMBO, PLO'S 'ARAFAT

FL301755 Havana Radio Reloj Network in Spanish 1515 GMT 30 Oct 86

[Text] Marcelino dos Santos, (Joaquin Chisano), and Armando (Llegusa), members of the Frelimo [Mozambique Liberation Front] Party Politburo, have met in Maputo with Jorge Risquet, member of the Communist Party of Cuba Politburo and Secretariat.

During the meeting, Risquet expressed Cuba's solidarity and support for Mozambique, which has just lost its president, Samora Machel, in a strange aviation disaster in South African territory.

Prior to this, Risquet met with Oliver Tambo, president of the African National Congress, on the growing struggle of the South African people against apartheid and U.S. support of the racist regime in Pretoria.

Risquet also met in Maputo with PLO President Yasir 'Arafat, with whom he discussed the Middle East situation.

FRG BUNDESTAG VISIT BENEFITS LEGISLATIVE BODIES

PA301305 Havana International Service in Spanish 0001 GMT 30 Oct 86

[Report by Barbara Betancourt]

[Text] In response to an invitation by the National Assembly of the People's Government of Cuba [ANPP], a high-ranking FRG parliamentary delegation, headed by its vice president, Heinz Westphal, is visiting our country. The FRG delegation is also made up of five deputies of the Christian Democratic Union, Social Democratic Party, Liberal Democratic Party, and Green Party, as well as officials of the Bundestag or parliament of that European nation.

Shortly after arriving in Havana, Heinz Westphal expressed satisfaction for the visit, which, according to him, will be very beneficial for the legislative organizations of Cuba and the FRG. When questioned by reporters who covered his arrival, Heinz Westphal, who arrived in Cuba from Panama with his retinue, expressed his conviction that the Contadora Group continues to be the only possible path to achieve a peaceful solution to the Central American conflict.

The FRG guests, during their visit to end 1 November, will participate in a busy schedule of activities, including meetings with members of the Cuban parliament and the Communist Party, and with Foreign Minister Isidoro Malmierca in Havana. They will also visit the historical sector of the city; the Genetic Engineering and Technology Center, inaugurated only a few months ago on the outskirts of Havana; and other centers of scientific and social interest in the Cuban capital.

The delegation has already met with ANPP President Flavio Bravo, with whom they discussed the duties and activities of the top Cuban legislative organization and the recent electoral process to elect the delegates to the organizations that comprise the ANPP. The visitors showed interest in learning about all the experiences of the Cuban [word indistinct]. They had previously placed a wreath on the monument of Jose Marti, Cuba's national hero, at Havana's Revolution Plaza.

CABRISAS ENDS 'PROMISING' URUGUAYAN VISIT

FL301555 Havana Radio Progreso Network in Spanish 1200 GMT 30 Oct 86

[Text] Cuban Foreign Trade Minister Ricardo Cabrisas has concluded an official 2-day visit to Uruguay during which he met with officials and enterprise leaders from that South American country. Sources close to the delegation said the meetings were considered positive and promising.

BOLIVIAN OFFICIALS APPROVE HAVANA AGREEMENTS

PA301955 Havana International Service in Spanish 1800 GMT 30 Oct 86

[Text] The representatives of almost all the Bolivian political forces have expressed their pleasure in parliament because Bolivia and Cuba have signed cooperation agreements. This was expressed in a statement signed by Bolivian deputies of the various political tendencies. The Cuban-Bolivian cooperation and consular affairs agreements were signed in Havana by Bolivian Foreign Minister Guillermo Bedregal during his recent visit to Cuba.

'BOURGEOIS,' SOCIALIST FREEDOM OF PRESS COMPARED

PA301310 Havana International Service in Spanish 0001 GMT 30 Oct 86

["Note" feature by Nestor Nunez; read by Angel Ferrer]

[Text] It is difficult to find in our times a concept more manipulated by Western interests than the concept of freedom of the press. As a matter of fact, the twisting of the concept does not originate in socialist societies such as Cuba. The defenders of capitalism flaunt freedom of the press as a banner, a vital principle, intrinsic only to imperialism. Up closer, objective examination shows that there is no such thing as freedom of the press in capitalist countries. For example: What major newspaper, radio, or television station in a capitalist country truly echoes the people's concerns? When they must take sides, deep down they answer exclusively to the interests of their owners, who are in turn representatives of conglomerates and corporations. They will never support a just position advocating jobs for workers, land for peasants, or schools, doctors, and housing for the dispossessed. Their main concern, amid distortions of the news, is to publicize ads that promote uncontrolled consumerism in man and a mentality of devouring one's brother.

Such a barrage of advertisements is not published in Cuban newspapers. They are prepared not based on the interests and needs of the people, who, in turn, can use them as a mouthpiece to demand the end of shortcomings, bad habits, and other mistakes that affect the economy and services. In addition, the Cuban press is a voice of the world's just causes -- precisely of those causes against which capitalist media work. These are the conceptual differences between bourgeois freedom of the press and freedom of the press in socialism. Naturally, for the dispossesed and for men with progressive political interests, it is not difficult to decide which of the two is absolutely legitimate.

BALAGUER CHANGES STANCE TOWARD SOCIAL CHIRISTIANS

F1292136 Bridgetown CANA in English 1625 GMT 29 Oct 86

[Text] Santo Dominigo, Oct 29, CANA-ALASEI [Latin American Special Information Service] -- The presence of international Christian Democrats, a conciliatory inauguration speech, and selection of a cabinet in which the tradtional figures of the governing party do not predominate, are strong points of interest at the start of Joaquin Balaguer's fourth presidential term.

In the last eight years, under two governments formed by the Dominician Revolutionary Party (PRD), the Dominican Republic has been transformed into an important base of action for social democracy. This played an important political role in the crisis that followed the 1978 elections, when Balaguer lost power to the PRD.

Although the two PRD governments did not show a clear democratic ideology, PRD leader Jose Francisco Pena Gomez used his influence to ensure that Socialist International establish itself on the Dominican scene. Socialist International's Committee for Latin America held two of its most important meetings during this period, and in various ways, people were made aware of the solidarity of the governing party with like-minded parties in the region and further afield.

Now, from a base of action for Socialist International, the country becomes the centre of interest for its rival Christian Democratic International (IDC), several outstanding members of which flew in for the inauguration of the government. Traditionally, Balaguer, 79, has adopted a conservative position with respect to international affairs, and in his previous governments, he supported a rather low profile of his administration in international affairs. His party was originally called the Reformist Party, and unlike the PRD -- the main opposition then and now -- he did not cultivate international relations.

The strong effect of the foreign policy of Pena Gomez and the PRD, and the ever-growing influence of external factors in domestic politics made Balaguer change his political stance.

In his eight years in opposition, he made overtures to the international Christian Democrats, and reaped benefits from those ties just as the PRD had done and continued doing with the Social Democrats.

So, the ties of collaboration cultivated during its years in government with the most conservative elements of the Social Christian Revolutionary Party (PRSC), permitted the Reformist Party to absorb the miniscle element and produce a fusion which allowed it to add the label Social Christian to its name.

The international privileges of IDC became available to Balaguer, and the party began receiving funds, technical assistance, and the international cover of the Christian Democrats, mainly from Venezuela and the Federal Republic of Germany, through the Adenauer Foundation.

The Social Christian experts sent to the country played an important role in planning the campaign that culminated in victory at the polls. The Italian representative, Flaminio Piccoli, president of the IDC, and Secretary General Luis Herrera Campins, former president of Venezuela, were two key figures in the international gathering at the change of government.

In addition, there was Gilberto Bonalumi, vice president of the Italian parliament and director of Latin American affairs for Social Democrats in that country; Eric Ramirez, president of the Nicaraguan Social Christian Party; the wife of the Guatemalan president, Raquel Blandon de Cerezo; Jose Napoleon Duarte, president of El Salvador, and others, who occupied the seats which were previously taken by the important personalities of Socialist International.

According to ALASEI, the significance of external factors and their effect on the local situation become very apparent when one considers the miles travelled by Vice President Carlos Morales Troncoso in order to mobilise support in this matter, a role Balaguer cannot fill, on account of his physical health, and perhaps because of his tradition of international absenteeism.

In the weeks leading up to the swearing-in, Morales was in Venezuela, Puerto Rico, and the United States. Another indicator, said ALASEI, is Balaguer's decision to entrust important positions in his cabinet to outstanding people in the local Social Christian camp, beginning with the technical secretariat, where he put engineer Guillermo Caram in charge; the legal bureau of executive power, assigned to Mario Read Vituini, and the position of comptroller of customs (source of 60 per cent of the treasury's revenue), given to Quico Tabar, a Social Christian.

Discusses Debt Renegotiation

F1291255 Santo Domingo Cadena Brea Pena in Spanish 1130 GMT 29 Oct 86

[Text] President Joaquin Balaguer said yesterday that the Government is not currently contemplating new IMF agreements or adopting new economic adjustment measures.

Balaguer said the mission that recently traveled to Washington, headed by Central Bank Governor Luis Julian Perez, was only making a courtesy visit to IMF authorities. President Balaguer said there has been no significant contact up to the moment on changing the public debt or making new adjustments.

The mission told IMF officials that the Government is proposing to renegotiate its debt with foreign trade banks, said Balaguer. The president of the republic said a renegotiation of the debt would save the country $200 million in interest payments and amortization of capital during the remainder of the year.

ANTIGUA - BARBUDA

COMMUNIQUE CONCLUDES TALKS WITH TRINIDAD - TOBAGO

F1300044 Bridgetown CANA in English 2340 GMT 29 Oct 86

[Text] Port of Spain, Trinidad, Oct 29, CANA -- Following is a communique issued after today's talks here between officials from Antigua and Barbuda and Trinidad and Tobago:

Delegations representing Antigua and Barbuda and Trinidad and Tobago met on October 29, 1986, at Riverside Plaza, Port of Spain, to discuss matters of bilateral concern to the two countries. The Antigua and Barbuda delegation was led by Mr James Thomas, high commissioner-designate to Canada, while the Trinidad and Tobago delegation was led by Mr Reginald Dumas, high commissioner to Barbados an the eastern Caribbean. The two delegations had a full, frank and fruitful discussion on several issues, among them civil aviation and trade.

They undertook to report to their respective governments and expressed the hope that all outstanding matters would soon be resolved. Among other things, the Trinidad and Tobago delegation adverted to the possibility of technical assistance in tourism development from Antigua and Barbuda to Trindad and Tobago. It is expected that a further round of discussions will be held in the near future.

ST LUCIA

LABOR PARTY ENDS CONFERENCE ON PLATFORM

F1281832 Bridgetown CANA in English 1742 GMT 28 Oct 86

[Text] Castries, St Lucia, Oct 28, CANA -- The opposition St Lucia Labour Party (SLP) has wrapped up a special conference, saying the way was now clear for it to openly campaign for the next general election. The conference, called to ratify the party's social and economic programme, ended Sunday. In his closing address, party leader Julian Hunte said the SLP had done most of its internal work in preparing itself for the next elections and could now move into the open campaign for the poll. The first part of the conference, held last month, ratified SLP policy papers.

Last Sunday's session discussed and approved policy papers on health, housing, industry, and the Caribbean Basin Initiative (CBI) in industrial development, according to party secretary Hilary Modeste. Also approved was a comprehensive social affairs programme including community development and local government, Modeste reported. Four papers were remitted to the executive for further study. These are concerned with foreign affairs, sports, public utilities, and the role of Parliament and cabinet in the Government of St Lucia. The delegates also agreed to establish a provident fund among the members of the party.

THIONIER REVIVES DUVALIERIST REN PARTY

PA310408 Buenos Aires REUTER in Spanish 0034 GMT 31 Oct 86

[Text] Port-au-Prince, 30 Oct (REUTER) -- Former followers of the toppled Duvalier government today announced the establishment of a political party, which according to them will present a nationalist candidate for the 1987 presidential elections.

Officials of the Union for National Conciliation (REN) said during a news conference at their headquarters located in the outskirts of the city that they plan to draft statutes and subject them to ratification at a party congress in February or March. They then plan to designate a candidate for the November 1987 presidential election.

REN founder and spokesman Domingo Thionier said that his party advocates the political doctrine of former President Dumarsaid Estime, a populist black leader who ruled from 1946 to 1950. His program was also adopted by the late Francois "Papa Doc" Duvalier.

Duvalier's son Jean-Claude, who succeeded him as president of the country, was toppled as a result of a large popular uprising that took place early this year.

REN officials described the party as a "nationalist" movement that will carry out an "independent and nationalist foreign policy in keeping with their aspirations to achieve a new international economic order."

The REN pledged to fight illiteracy, which they described as the most serious problem facing Haiti, and stressed their democratic inclination.

Recent rumors on the creation and affiliation of the REN caused dismay among many Haitians.

A source close to the government said: "This party is the only one among more than 200 that has a possibility of winning."

The same source added: "They know how to organize themselves and fight in an electoral campaign. Do not forget that 'Papa Doc' was democratically elected in 1957."

Haiti, which has been ruled by a government council since Duvalier left the country, failed in its first democratic exercise on 19 October when only 15 percent of the qualified electorate voted to elect members to a Constituent Assembly.